



Health Services
LOS ANGELES COUNTY

Los Angeles County
Board of Supervisors

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William Loos, MD
Acting Senior Medical Officer

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*To improve health
through leadership,
service and education.*



www.ladhs.org

March 9, 2006

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**AGREEMENTS FOR THE PROVISION OF DELINQUENT
PATIENT ACCOUNT COLLECTION LETTER SERVICES**
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and instruct the Acting Director of Health Services, or his designee, to sign two separate agreements for delinquent patient account collection letter services and data mailers with Computer Credit, Inc. and USCB, Incorporated, substantially similar to Exhibits I and II, effective upon date of Board of Supervisors' approval through December 31, 2006, with provisions for four one-year automatic renewals through December 31, 2010, at a total estimated cost of \$638,000 per fiscal year.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS:

In approving this action, the Board is authorizing the Acting Director of Health Services, or his designee, to sign agreements to allow two delinquent patient account collection letter services (CLS) providers, newly selected through an Invitation for Bids (IFB) process, to send out collection letter notices and data mailers to County patients with delinquent accounts.

The Department has found that it has a greater success rate in collecting on delinquent patient accounts when collection letters are sent out by a collection agency, such as Computer Credit, Inc. (CCI) and USCB, Incorporated (USCB). The agreements with CCI and USCB will allow the Department to continue to augment its collection efforts and generate incremental net revenue. In addition, CCI and USCB will be generating data mailers from the facilities upon migration from the McKesson Information Solutions, LLC to QuadraMed's Affinity System.

It is important to note that these contractors are not entitled to a percentage of any revenue associated with the identification of third party coverage (Medi-Cal, Medicare, etc.), or monies received from cash paid by self-pay patients. Rather, the contractors are paid a specific amount for collection letter and data mailer services per account referred. There are no contingency fees involved.

FISCAL IMPACT/FINANCING:

Contract costs for collection letter services are estimated at \$434,000 for the processing of an estimated 209,400 patient accounts per fiscal year. Consistent with the existing contractual payment methodology for collection letter services, payments are based on the number of patient accounts referred to the contractor for which they provide collection letter services.

As the facilities migrate from the McKesson Information Solutions, LLC to QuadraMed's Affinity system, the Department will initiate steps to standardize its operational practices across all facilities. Upon Board approval of these contracted services, data mailers will be implemented at the Comprehensive Health Centers (CHC) and Health Centers (HC). This data mailer service will cost \$204,000 per fiscal year.

Based on prior year experience, it is estimated that these contractors' efforts will generate an approximate total of \$3.0 million in revenue per fiscal year. Funding for both collection letter service and data mailer service has been included in the Fiscal Year 2005-2006 Final Budget and will be requested in future fiscal years.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

Since September 1996, the Department has selected and recommended for contract award various CLS providers. On September 20, 2005, the Board approved Amendment No. 6 to the current CCI and USCB agreements to extend their terms until the Department completed a competitive selection process, or until March 31, 2006, whichever of these events or dates occurred sooner.

CCI is currently providing CLS to Harbor/UCLA, LAC+USC, King/Drew, Olive View/UCLA Medical Centers and Rancho Los Amigos National Rehabilitation Center. USCB is providing CLS to the DHS CHCs and HCs. CCI and USCB are both contractually allowed to provide CLS to any County facility; however, USCB is the only agency that may provide CLS to CHCs and HCs.

The agreements with CCI and USCB will commence effective upon date of Board approval and remain in effect through December 31, 2006, with provisions for four one-year automatic renewals through December 31, 2010.

The agreements (Exhibits I and II) have been reviewed and approved as to form by County Counsel. Attachment A provides additional information.

CONTRACTING PROCESS:

On October 11, 2005, DHS released an IFB to providers interested in providing CLS under contract with the County. On November 16, 2005, the Department received IFB's responses from CCI, OSI Healthcare Services, and USCB.

An Evaluation Committee of DHS finance managers reviewed the proposers' responses to the IFB, which consisted of answers to questions concerning their experience in providing CLS to large hospitals, their ability to receive and provide data electronically to and from County facilities, their ability to provide data mailers for outstanding accounts in the volumes identified by the Department, and their bid price. CCI and

The Honorable Board of Supervisors
March 9, 2006
Page 3

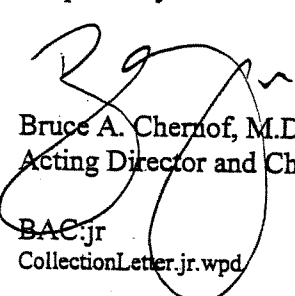
USCB were the only two firms that could satisfy all of the contract service requirements, as specified in the IFB. They were selected for recommended contracts as the two lowest qualified bidders.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

Approval of the agreements will ensure continuity of CLS and ensure revenue collections are maximized.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Bruce A. Chernof, M.D.
Acting Director and Chief Medical Officer

BAC:jr
CollectionLetter.jr.wpd

Attachments (3)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

SUMMARY OF AGREEMENT1. Type of Service:

Delinquent Patient Account Collect Letter Services assists the Department of Health Services' facilities by providing them with a supplemental means (i.e., using a collection agency) to prepare and transmit collection letters and data mailers to County patients with delinquent accounts. The Department has found that it has a greater success rate in collecting on delinquent patient accounts when collection letters are sent out by a collection agency, such as CCI and USCB. As the facilities migrate from McKesson Information Solutions, LLC to Quadramed's Affinity System, the Department will initiate steps to standardize its operational practices across the facilities.

2. Agency Address, Contact Person, and Telephone Number(s):

Computer Credit, Inc.
640 West 4th Street
Winston-Salem, North Carolina 27101-2730
Attention: Elizabeth S. Barkdsdale, President
Telephone: (336) 761-1524, Extension 1225
Fax: (336) 761-8852
E-mail: bbarkdsdale@cciws.com

USCB, Incorporated
125 South Vermont Avenue
Los Angeles, California 90004
Attention: Albert Cadena, Vice President,
Health Services
Telephone: (213) 387-6181
Fax: (213) 739-7630
E-mail: acadena@uscbinc.com

3. Term:

Effective upon date of Board approval through December 31, 2006, with provisions for four one-year renewal terms through December 31, 2010.

4. Financial Information:

Contract costs for collection letter services are estimated at \$434,000 for the processing of an estimated 209,400 patient accounts per fiscal year. Consistent with the existing contractual payment methodology for collection letter services, payments are based on the number of patient accounts referred to the contractor for which they provide collection letter services.

As the facilities migrate from the McKesson Information Solutions, LLC to QuadraMed's Affinity system, the Department will initiate steps to standardize its operational practices across all facilities. Upon Board approval of these contracted services, data mailers will be implemented at the Comprehensive Health Centers and Health Centers. This data mailer service will cost \$204,000 per fiscal year.

Based on prior year experience, it is estimated that these contractors' efforts will generate an approximate total of \$3.0 million in revenue per fiscal year. Funding for both collection letter service and data mailer service has been included in the Fiscal Year 2005-2006 Final Budget and will be requested in future fiscal years.

5. Geographic Area:

Countywide.

Contract No. _____

DELINQUENT PATIENT ACCOUNT COLLECTION LETTER SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this _____ day
of _____, 2006

by and between COUNTY OF LOS ANGELES (hereafter
 "County"),
and COMPUTER CREDIT, INC.
 (hereafter "Contractor").

WHEREAS, pursuant to the provisions of sections 1441 and 1445 of the California Health and Safety Code Section, County has established and operates, through its Department of Health Services, a network of County hospitals, comprehensive health centers and health centers, public health, the Consolidated Business Office, support facilities, Public/Private Partnerships, and Managed Care Facilities (collectively hereafter "County Facility" or "County Facilities", as appropriate); and

WHEREAS, the term "Director" as used herein refers to the County's Director of Department of Health Services ("DHS"), or his authorized designee (hereafter jointly referred to as ("Director")); and

WHEREAS, County finds it necessary to secure professional collection letter services and believes it is in the best interest of the County to enter into an agreement with Contractor

for said services which are specifically authorized by statute;
and

WHEREAS, Contractor is willing to provide the services described herein, and possesses the competence, expertise, and personnel to provide such delinquent patient account Collection Letter Services ("CLS") described hereunder and has offered its resources to County; and

WHEREAS, Contractor is a financial services firm, by virtue of its competence and expertise in the area of collection letter services, is qualified to perform the required services; and

WHEREAS, County has authority to enter into this Agreement under Government Code sections 26220 and 31000.

NOW, THEREFORE, the parties hereto agree as follows:

1. TERM: The term of this Agreement shall commence on date of approval by County's Board of Supervisor ("Board"), and shall continue, in full force and effect, to December 31, 2006. Said agreement shall thereafter be automatically renewed on an annual basis for up to a period of four (4) years without further action by the parties hereto, to and including December 31, 2010.

In any event, this Agreement may be canceled or terminated at any time by either party, with or without cause, upon the giving of at least thirty (30) calendar days advance written notice to

the other party. Further, County may also suspend the performance of services hereunder, in whole or in part, upon the giving of at least a thirty (30) calendar days advance written notice to Contractor. County's notice shall set forth the extent of the suspension and the requirements for full restoration of the performance obligations.

Notwithstanding any other provision of this Agreement, the failure of Contractor or its officers, employees, agents, or subcontractors, to comply with any of the terms of this Agreement or any written directions by or on behalf of County issued pursuant hereto shall constitute a material breach hereto, and this Agreement may be terminated by County immediately. County's failure to exercise this right of termination shall not constitute a waiver of such right, which may be exercised at any subsequent time.

2. DESCRIPTION OF SERVICES:

A. Contractor shall provide CLS to County in the manner described in Exhibit "A", Statement of Work, attached hereto and incorporated herein by reference, for the County Facilities listed in Exhibit "B", COUNTY FACILITIES TO BE SERVED, attached hereto and incorporated herein by reference.

B. Director may add or delete County Facility service sites as may be necessary from time-to-time during the term

of this Agreement, by providing at least ten (10) calendar days prior written notice to Contractor.

C. Contractor shall ensure that all of its agents, employees, and staff to perform CLS as described herein sign a Contractor EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT, (Attachment "A") attached hereto and incorporated herein by reference, prior to commencing contract services. Such signed form should be retained by Contractor in accordance with the RECORDS AND AUDITS Paragraph of the ADDITIONAL PROVISIONS hereunder and a copy forwarded to DHS Contract Coordinator.

3. NONEXCLUSIVITY: Contractor acknowledges that it is not necessarily an exclusive provider to County of the CLS to be provided under this Agreement, that County has, or may enter into agreements (i.e., contracts) with other providers of said services, and that County reserves the right to itself perform the services with its own County personnel. During the term of this Agreement, Contractor agrees to provide County with the services described in the Agreement.

4. BILLING AND PAYMENT: Contractor shall bill County monthly in arrears for services provided by Contractor. County shall pay Fifty-One Cents (\$0.51) for each Data Mailer and Two Dollar and Fifteen Cents (\$2.15) for each account, which shall consist of a series of three collection letters prepared and

issued by contractor. County agrees that if the U.S. Postage rate is increased at any time during the term of this Agreement, the County shall increase its payment to Contractor by the same amount as the increase in the applicable U.S. Postage rate upon the effective date of such increase by the U.S. Postal Service for each delinquent patient account and data mailer. Billings by Contractor shall identify the month, day and year of billing, invoice reference number, any adjustments credited to each account with explanations, and beginning and ending invoice balances. Billings shall be made and forwarded to County to the address provided by facility requesting service and in accordance with the Scope of Work, attached herein. For purposes of this Agreement, County agrees to compensate Contractor, in accordance with the terms and conditions set forth in Schedule "A", BUDGET, attached hereto and incorporated herein by reference.

5. COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS: Notwithstanding any other provision of this Agreement, County shall not be obligated for the services performed hereunder, or by any provision of this Agreement, during any of County's future July 1 - June 30 fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall be deemed to have terminated on June 30 of the last County

fiscal year for which funds were appropriated. Director shall notify Contractor in writing of such non-appropriation of funds at the earliest possible date.

6. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF AGREEMENT: Contractor shall have no claim against County for the payment of any monies, or reimbursements of any kind whatsoever, for any service provided by Contractor after the expiration or (other) termination of this Agreement, even if Contractor's provision of such services were requested by County directly. Should Contractor receive any such payment, it shall immediately notify County and shall repay or return all such funds or reimbursements to County within a reasonable amount of time. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or (other) termination of this Agreement.

7. INDEMNIFICATION: Contractor shall indemnify, defend, and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Agreement.

8. GENERAL INSURANCE REQUIREMENTS: Without limiting Contractor's indemnification of County and during the term of this Agreement, Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at Contractor's own expense. In any event, Contractor may satisfy the insurance coverage requirements specified in this Agreement by providing evidence of Contractor's self-insurance program, as described hereinbelow. Such evidence shall be provided in a formal declaration (on Contractor's letterhead, if available) that declares Contractor is self-insured for the type and amount of coverage as described in Paragraph 9, Insurance Coverage Requirements, hereinbelow. Contractor's declaration may be in the form of a corporate resolution or a certified statement from a corporate officer or an authorized principal of Contractor. The statement also must identify which required coverages are self-insured and which are commercially insured. Contractors who are self-insured for workers compensation must provide a copy of their "Certificate of Consent to Self-Insure" issued by the State in which services will be provided. Further, Contractor's self-

insurance program must be reviewed and approved by County's Risk Manager prior to the effective date of this Agreement.

A. Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to Director at the: DHS; Contracts and Grants Division; 313 North Figueroa Street, 6th Floor-East; Los Angeles, California 90012-2659, and to DHS; Revenue Services, 313 North Figueroa Street, Room 527, Los Angeles, California 90012, prior to commencing services under this Agreement. Such certificates or other evidence shall:

- (1) Specifically identify this Agreement.
- (2) Clearly evidence all coverages required in this Agreement.
- (3) Contain the express condition that County is to be given written notice by mail at least thirty (30) calendar days in advance of cancellation for all policies evidenced on the certificate of insurance.
- (4) Include copies of the additional insured endorsement to the commercial general liability policy, adding County of Los Angeles, its Special Districts, its officials, officers, and employees as insured for all activities arising from this Agreement.
- (5) Identify any deductibles or self-insured retentions for County's approval. County retains the

right to require Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to County, or, require Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

B. Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to County with an A.M. Best rating of not less than A:VII, unless otherwise approved by County.

C. Failure to Maintain Coverage: Failure by Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute a material breach of contract upon which County may immediately terminate or suspend this Agreement. County, at its sole option, may obtain damages from Contractor resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance.

D. Notification of Incidents, Claims, or Suits:

Contractor shall report to County:

(1) Any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor and/or County. Such report shall be made in writing within twenty-four (24) hours of occurrence.

(2) Any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Agreement.

(3) Any injury to a Contractor employee which occurs on County property. This report shall be submitted on a County "Non-Employee Injury Report" to County contract manager.

(4) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies, or securities entrusted to Contractor under the terms of this Agreement.

E. Compensation for County Costs: In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all costs incurred by County.

F. Insurance Coverage Requirements for Subcontractors:

Contractor shall ensure any and all subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

(1) Contractor providing evidence of insurance covering the activities of subcontractors, or

(2) Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

9. INSURANCE COVERAGE REQUIREMENTS:

A. General Liability Insurance (written on Insurance Services Office ["ISO"] policy form "CG 00 01" or its equivalent) with limits of not less than the following:

General Aggregate: \$2 Million

Products/Completed Operations Aggregate: \$1 Million

Personal and Advertising Injury: \$1 Million

Each Occurrence: \$1 Million

B. Automobile Liability Insurance (written on ISO policy form "CA 00 01" or its equivalent) with a limit of liability of not less than \$1 Million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

C. Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident: \$1 Million

Disease - Policy Limit:\$1 Million

Disease - Each Employee:\$1 Million

D. Professional Liability Insurance covering liability arising from error, omission, negligent or wrongful act of Contractor, its officers or employees with limits of not less than \$1 Million per occurrence and \$3 Million aggregate. The coverage also shall provide an extended two (2) year reporting period commencing upon expiration or earlier termination or cancellation of this Agreement.

E. Crime Coverage: Insurance with limits in amounts not less than indicated below covering against loss of money, securities, or other property referred to in this Agreement, and naming the County as loss payee.

Employee Dishonesty: \$25,000

Forgery or Alteration: \$25,000

Theft, Disappearance and Destruction: \$25,000

10. DELEGATION AND ASSIGNMENT: Contractor shall not assign its rights or delegate its duties under this Agreement, or both, either in whole or in part, without the prior written consent of County, and any assignment or delegation which does not have such prior County consent shall be null and void. For purposes of this Paragraph, such County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any billings to County by any assignee or delegatee on any claim under this Agreement, in consequence of any such County consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off, recoupment or other reduction for any claim which Contractor may have against County, whether under this Agreement or otherwise.

11. SUBCONTRACTING:

A. For purposes of this Agreement, all subcontracts must first be approved in writing by Director. Contractor's written request to Director for approval to enter into a subcontract shall be made at least thirty (30) calendar days prior to the subcontractor's proposed effective date, and shall include:

- (1) Identification of the proposed subcontractor, (who shall be licensed as appropriate for provision of subcontract services), and an explanation of why and how

the proposed subcontractor was selected, including the degree of competition involved.

(2) A detailed description of the services to be provided by the subcontract.

(3) The proposed subcontract amount and manner of compensation, if any, together with Contractor's cost or price analysis thereof.

(4) A copy of the proposed subcontract. (Any later modification of such subcontract shall take the form of a formally written subcontract amendment which also must be approved in writing by Director in the same manner as described above, before such amendment is effective.)

(5) Any other information and/or certification(s) requested by Director.

B. Director shall review Contractor's request to subcontract and shall determine, in his/her sole discretion, whether or not to consent to such a request on a case-by-case basis.

C. Subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. The making of subcontracts hereunder shall not relieve Contractor of any requirement under this Agreement, including, but not limited to, the duty to properly supervise and coordinate the work of subcontractors. Further, Director's approval of any sub-

contract shall also not be construed to limit in any way, any of County's rights or remedies contained in this Agreement.

D. In the event that Director consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments or other compensation to all subcontractors, and their officers, employees, and agents.

E. In the event that Director consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, or any subcontractor, or to any officers, employees, or agents, of Contractor, or any subcontractor, for any liability, damages, costs, or expenses, arising from or related to County's exercising of such a right.

F. Subcontracts shall contain the following provision: "This contract is a subcontract under the terms of a prime contract with the County of Los Angeles and shall be subject to all of the provisions of such prime contract." Further, Contractor shall also reflect as subcontractor requirements in the subcontract form all of the requirements of Paragraphs 7, 8, 9, 12, 15, and 16, of the body of this Agreement, and,

all of the provisions of the Additional Provisions attachment.

Contractor shall deliver to Director a fully executed copy of each subcontract entered into by Contractor, as it pertains to the provision of services under this Agreement, on or immediately after the effective date of the subcontract, but in no event, later than the date any services are to be performed under the subcontract.

G. Director is hereby authorized to act for and on the behalf of County pursuant to this Paragraph, including but not limited to, consenting to any subcontracting.

12. COMPLIANCE WITH APPLICABLE LAW:

A. Contractor shall comply with the requirements of all federal, State, and local laws, ordinances, regulations, rules, guidelines, and directives, applicable to its performance hereunder. To the extent there is any conflict between federal and State or local laws, the former shall prevail.

Any reference to a specific statute, regulation, or any other document not prepared by County is deemed to include a reference to any amendment thereto as of the effective date of such amendment; further, this Agreement shall be interpreted and the parties' duties and obligations under this Agreement shall be consistent with any amendment to any

applicable statute, regulation or other document not prepared by County which occurs after the effective date of the Agreement.

B. Contractor shall indemnify and hold harmless County from and against any and all loss, damage, liability, or expense resulting from any violation on the part of Contractor, its officers, employees, or agents, of such federal, State, or local laws, regulations, guidelines, or directives.

13. ADDITIONAL PROVISIONS: Attached hereto and incorporated herein by reference, is a document labeled Additional Provisions, of which the terms and conditions therein contained are part of this Agreement.

14. CONSTRUCTION: To the extent there are any rights, duties, obligations, or responsibilities enumerated in the recitals or otherwise in this Agreement, they shall be deemed a part of the operative provisions of this Agreement and are fully binding upon the parties.

15. CONFLICT OF TERMS: To the extent that there exists any conflict or inconsistency between the language of this Agreement (including its Additional Provisions), and that of any Exhibit(s), Attachment(s), and any other documents incorporated herein by reference, the language found within this Agreement shall govern and prevail.

16. ALTERATION OF TERMS: The body of this Agreement (including its Additional Provisions) and any Exhibit(s), and/or Attachment(s) attached hereto, fully expresses all understandings of the parties concerning all matters covered and shall constitute the total Agreement. No addition to, or alteration of, the terms of this Agreement, whether by written or verbal understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties in the same manner as this Agreement.

17. CONTRACTOR'S OFFICES: Contractor's office is located at 640 W. 4th Street, Winston-Salem, North Carolina, 27101-2730. Contractor's business telephone number is (336) 761-1524, extension 1225, and facsimile/FAX number is (336) 761-8852, and electronic mail ("e-mail") address is bbarksdale@cciws.com. Contractor shall notify County, in writing, of any changes made to its business address, business telephone number, facsimile/FAX number, and/or e-mail address as listed herein, or any other business address, business telephone number, facsimile/FAX number, and/or e-mail address used in the provision of services herein, at least ten (10) calendar days prior to the effective date(s) thereof.

18. NOTICES: Notices hereunder shall be in writing and may either be delivered personally or sent by registered or certified

mail, return receipt requested, postage prepaid, attention to the parties at the addresses listed below. Director is authorized to execute all notices or demands which are required or permitted by County under this Agreement. Addresses and parties to be notified may be changed by providing at least ten (10) business days prior written notice to the other party.

A. Notices to County shall be addressed as follows:

- (1) Department of Health Services
Contracts and Grants Division
313 North Figueroa Street, Sixth Floor-East
Los Angeles, California 90012-2659

Attention: Division Chief

- (2) Department of Health Services
Revenue Services
313 North Figueroa Street, Room 527
Los Angeles, California 90012

Attention: Chief, Revenue Services

B. Notices to Contractor shall be addressed as follows:

Computer Credit, Inc.
640 W. 4th Street
Winston-Salem, NC 27101-2730

Attention: President

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its

/

/

/

Director, and Contractor has caused this Agreement to be
subscribed in its behalf by its duly authorized officer, the day,
month, and year first above written.

COUNTY OF LOS ANGELES

By

Bruce A. Chernof, M.D.
Acting Director and Chief
Medical Officer

COMPUTER CREDIT, INC
Contractor

By

Signature

Print Name

Title

(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
RAYMOND G. FORTNER
COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By

Chief, Contracts and Grants
Division

jz/IFB-Collection Letter Services - Rev-7-14-05

ADDITIONAL PROVISIONS

COMPUTER CREDIT, INC.

DELINQUENT PATIENT ACCOUNT COLLECTION LETTER SERVICES AGREEMENT

TABLE OF CONTENTS

Paragraph No.	Title	Page (AP) No.
1.	ADMINISTRATION	1
2.	FORM OF BUSINESS ORGANIZATION AND FISCAL DISCLOSURE	1
3.	NONDISCRIMINATION IN SERVICES	3
4.	NONDISCRIMINATION IN EMPLOYMENT	5
5.	FAIR LABOR STANDARDS ACT	8
6.	EMPLOYMENT ELIGIBILITY VERIFICATION	8
7.	CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM	9
8.	STAFF PERFORMANCE OF SERVICES WHILE UNDER THE INFLUENCE	10
9.	UNLAWFUL SOLICITATION	10
10.	RECORDS AND AUDITS	11
11.	REPORTS	16
12.	CONFIDENTIALITY	16
13.	CONTRACTOR'S OBLIGATIONS AS AN OTHER ENTITY UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")	17
14.	COMPLIANCE WITH JURY SERVICE PROGRAM	31
15.	LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES	34
16.	INDEPENDENT CONTRACTOR STATUS	35

Paragraph No.	Title	Page (AP) No.
17.	REQUIREMENT TO NOTIFY EMPLOYEES ABOUT FEDERAL EARNED INCOME CREDIT ("EIC")	36
18.	CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM	36
19.	SAFELY SURRENDERED BABY LAW	38
20.	CONSIDERATION OF COUNTY'S DEPARTMENT OF SOCIAL SERVICES ("DPSS") GREATER AVENUES FOR INDEPENDENCE ("GAIN") PROGRAM OR GENERAL RELIEF OPPORTUNITY FOR WORK ("GROW") PARTICIPANTS FOR EMPLOYMENT	39
21.	COUNTY EMPLOYEE'S RIGHT OF FIRST REFUSAL AND CONTRACTOR'S OFFERS OF EMPLOYMENT	39
22.	NO INTENT TO CREATE A THIRD PARTY BENEFICIARY CONTRACT	40
23.	SERVICE DELIVERY SITE - MAINTENANCE STANDARDS . .	40
24.	DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS	41
25.	USE OF RECYCLED - CONTENT PAPER	41
26.	NOTICE OF DELAYS	42
27.	RESTRICTIONS ON LOBBYING	42
28.	CONFLICT OF INTEREST	43
29.	COUNTY'S QUALITY ASSURANCE PLAN	44
30.	TERMINATION FOR INSOLVENCY, DEFAULT, GRATUITIES, AND/OR IMPROPER CONSIDERATIONS AND CONVENIENCE . .	45
31.	CONTRACTOR RESPONSIBILITY AND DEBARMENT	50
32.	SOLICITATION OF BIDS OR PROPOSALS	54
33.	GOVERNING LAWS, JURISDICTION, AND VENUE	54
34.	WAIVER	55
35.	SEVERABILITY	55

ADDITIONAL PROVISIONS

COMPUTER CREDIT, INC.

DELINQUENT ACCOUNT COLLECTION AGENCY SERVICES AGREEMENT

1. ADMINISTRATION: Director shall have the authority to administer this Agreement on behalf of County. Contractor agrees to extend to Director, or to authorized federal, State, County, and local governmental representatives, the right to review and monitor Contractor's programs, policies, procedures, and financial and/or other records, and to inspect its business offices, facilities, and/or County work site areas, for contractual compliance at any reasonable time.

2. FORM OF BUSINESS ORGANIZATION AND FISCAL DISCLOSURE:

A. Form of Business Organization: Contractor shall prepare and submit to Director upon request, a statement executed by Contractor's duly constituted officers or Board of Directors, containing the following information with supportive documentation:

(1) The form of Contractor's business organization, i.e., sole proprietorship, partnership, limited liability company ("LLC"), or corporation.

(2) Articles of Incorporation and By-Laws (or articles of organization, certificate of formation, certificate of registration, and operating agreement if Contractor's organization is a LLC).

(3) A detailed statement indicating whether Contractor is totally or substantially owned by another business organization (i.e., another legal entity or parent corporation).

(4) Board Minutes, or other legal documentation, identifying who is authorized on behalf of Contractor to conduct business, make commitments, and enter into binding agreements with County. Such Board Minutes, or legal documentation, shall especially confirm that the person executing this Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation set forth in this Agreement.

(5) A detailed statement indicating whether Contractor totally or partially owns any other business organization that will be providing services supplies, materials, or equipment to Contractor or in any manner does business with Contractor under this Agreement.

(6) If, during the term of this Agreement, the form of Contractor's business organization changes, or the ownership of Contractor changes, or Contractor's authorized person to conduct business, make commitments, and enter into binding agreements with County changes; or Contractor's ownership of other businesses dealings

with Contractor under this Agreement changes, Contractor shall notify Director in writing detailing such changes within thirty (30) calendar days prior to the effective date thereof.

B. Fiscal Disclosure: Contractor shall prepare and submit to Director, within ten (10) calendar days following execution of this Agreement, a statement executed by Contractor's duly constituted officers or Board of Directors, containing the following information:

(1) A detailed statement listing all sources of funding to Contractor, including but not limited to, private contributions, if any. The statement shall include the nature of the funding, services to be provided, total dollar amount, and period of time of such funding.

(2) If, during the term of this Agreement, the source(s) of Contractor's funding changes, Contractor shall promptly notify the Director in writing detailing such changes within thirty (30) calendar days prior to the effective date thereof.

3. NONDISCRIMINATION IN SERVICES: Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political

affiliation, or condition of physical or mental handicap, or in any manner on the basis of a client's sexual orientation in accordance with requirements of federal and State laws. For the purpose of this Paragraph, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of a facility; providing any service or benefit to any person which is not equivalent, or is provided in a non-equivalent manner or at a non-equivalent time, from that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Agreement are provided services without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation.

In addition, Contractor's facility access for the handicapped must fully comply with section 504 of the federal

Rehabilitation Act of 1973 and Title III of the federal Americans with Disabilities Act of 1990.

4. NONDISCRIMINATION IN EMPLOYMENT:

A. Contractor certifies and agrees, pursuant to the federal Rehabilitation Act of 1973, the federal Americans with Disabilities Act of 1990, and all other federal and State laws, as they now exist or may hereafter be amended, that it, its affiliates, subsidiaries, or holding companies, will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation.

Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation, in accordance with federal and State laws. Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation,

and selection for training, including apprenticeship.

Contractor shall post in conspicuous places in each of Contractor's facilities providing services hereunder, positions available and open to employees and applicants for employment, and notices setting forth the provisions of this Paragraph.

B. Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants shall receive consideration for employment without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

C. Contractor shall send to each labor union or representative of workers with which it has a collective bargaining agreement, or other contract of understanding, a notice advising the labor union or workers' representative of Contractor's commitments under this Paragraph.

D. Contractor certifies and agrees that it shall deal with its subcontractor, bidders, or vendors without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status,

political affiliation, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

E. Contractor shall allow federal, State, and County representatives, duly authorized by Director, access to its employment records during regular business hours in order to verify compliance with the anti-discrimination provisions of this Paragraph. Contractor shall provide such other information and records as such representatives may require in order to verify compliance with the anti-discrimination provisions of this Paragraph.

F. If County finds that any of the provisions of this Paragraph have been violated, the same shall constitute a material breach of Agreement upon which County may determine to cancel, terminate, or suspend, this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the federal Equal Employment Opportunity Commission that Contractor has violated federal or State anti-discrimination laws shall constitute a finding by County that Contractor has violated the anti-discrimination provision of this Agreement.

G. The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Agreement, County shall be entitled, at its option, to the sum of Five Hundred Dollars (\$500) pursuant to California Civil Code section 1671 as liquidated damages in lieu of canceling, terminating, or suspending this Agreement.

5. FAIR LABOR STANDARDS ACT: Contractor shall comply with all applicable provisions of the federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, employees, and agents from any and all liability including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law including, but not limited to, the federal Fair Labor Standards Act for services performed by Contractor's employees for which County may be found jointly or solely liable.

6. EMPLOYMENT ELIGIBILITY VERIFICATION: Contractor warrants that it fully complies with all federal statutes and regulations regarding employment of aliens and others, and that all its employees performing services hereunder meet the citizenship or alien status requirements contained in federal statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verification

and other documentation of employment eligibility status required by federal statutes and regulations, as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for all covered employees for the period prescribed by law. Contractor shall indemnify, defend and hold harmless County, its officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

7. CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM: Contractor hereby warrants that neither it nor any of its staff members is restricted or excluded from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director in writing, within thirty (30) calendar days, of: (1) any event that would require Contractor or a staff member's mandatory exclusion from participation in a federally funded health care program; and (2) any exclusionary action taken by any agency of the federal government against Contractor or one or more staff members barring it or the staff members from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any federal exclusion of Contractor or its staff members from such participation in a federally funded health care program.

Failure by Contractor to meet the requirements of this Paragraph shall constitute a material breach of contract upon which County may immediately terminate or suspend this Agreement.

8. STAFF PERFORMANCE OF SERVICES WHILE UNDER THE INFLUENCE :

Contractor shall ensure that no employee or other person under Contractor's control, performs services hereunder while under the influence of any alcoholic beverage, medication, narcotic, or other substance that might impair his/her physical or mental performance.

9. UNLAWFUL SOLICITATION: Contractor shall inform all of its officers and employees performing services hereunder of the provisions of Article 9 of Chapter 4 of Division 3 (commencing with section 6150) of Business and Professions Code of the State of California (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of said provisions by its officers and employees. Contractor agrees to utilize the attorney referral service of all those bar associations within Los Angeles County that have such a service.

10. RECORDS AND AUDITS:

A. Service Records: Contractor shall maintain, and provide upon request by County, accurate and complete records of its activities and operations as they relate to the provision of services, hereunder.

B. Financial Records: Contractor shall prepare and maintain on a current basis, complete financial records in accordance with generally accepted accounting principles and also in accordance with any additional accounting principles and procedures, and standards, which may from time to time be promulgated by Director. All such records shall be sufficient to substantiate all charges billed to County in the performance of this Agreement. Further, all financial records of Contractor pertaining to this Agreement, including accurate books and records of accounts of its costs and operating expenses, and all records of services (including personnel provided), as well as other financial records pertaining to this Agreement, shall be retained by Contractor for a minimum period of five (5) years following the expiration or prior termination of this Agreement. During such five (5) year period, as well as during the term of this Agreement, all records pertaining to this Agreement, or true and correct copies thereof, including but not limited to, those records described above, shall either: (1)

be retained by Contractor, accessible for review by County representatives at a location in Los Angeles County, or (2) if retained by Contractor at a location outside of Los Angeles County, moved from such a location, to a location within Los Angeles County for review, upon Director's request, and made available during County's normal business hours, within ten (10) calendar days, to representatives of County, or federal and State governments, for purposes of inspection and audit. In the event such records are located outside Los Angeles County and Contractor is unable to move such records to Los Angeles County, then Contractor shall permit such inspection or audit to take place at an agreed to outside location, and Contractor shall pay County for travel, per diem, and other costs related to such inspection and audit.

Contractor shall further agree to provide such records, when possible, immediately to County by facsimile/FAX, or through the Internet (i.e., electronic mail ["e-mail"]), upon Director's request. Director's request shall include appropriate County facsimile/FAX number(s) and/or e-mail address(es) for Contractor to provide such records to County. In any event, Contractor shall agree to make available the original documents of such FAX and e-mail

records when requested by Director for review as described hereinabove.

C. Federal Access to Records: If, and to the extent that, section 1861 (v) (1) (I) of the Social Security Act [42 United States Code ("U.S.C.") section 1395x (v) (1) (I)] is applicable, Contractor agrees that for a period of five (5) years following the furnishing of services under this Agreement, Contractor shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Comptroller General of the United States, or to any of their duly authorized representatives, this Agreement, books, documents, and records of Contractor which are necessary to verify the nature and extent of the cost of services provided hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontract shall provide for such access to the sub-contract, books, documents and records of the subcontractor.

D. County To Be Provided Audit Report(s): In the event that an audit is conducted of Contractor specifically

regarding this Agreement by any federal or State auditor, or any auditor or accountant employed by Contractor or otherwise, Contractor shall file a copy of each such audit report with Director and County's Auditor-Controller within thirty (30) calendar days of Contractor's receipt thereof, unless otherwise provided under this Agreement, or under applicable federal or State regulations. To the extent permitted by law, County shall maintain the confidentiality of such audit report(s). Failure of Contractor to comply with these terms shall constitute a material breach of this Agreement upon which County may cancel, terminate, or suspend this Agreement.

E. Audit/Compliance Review: In the event County representatives conduct an audit/compliance review of Contractor, Contractor shall fully cooperate with County's representatives. Contractor shall allow County representatives access to all records of services rendered and all financial records and reports pertaining to this Agreement and shall allow photocopies to be made of these documents utilizing Contractor's photocopier, for which County shall reimburse Contractor its customary charge for record copying services, if requested. Director shall provide Contractor with at least ten (10) working days prior written notice of

any audit/compliance review, unless otherwise waived by Contractor.

County may conduct a statistical sample audit/compliance review of all claims paid by County during a specified period. The sample shall be determined in accordance with generally accepted auditing standards. An exit conference shall be held following the performance of such audit/compliance review at which time the results shall be discussed with Contractor. Contractor shall be provided with a copy of any written evaluation reports.

Contractor shall have the opportunity to review County's findings on Contractor, and Contractor shall have thirty (30) calendar days after receipt of County's audit/compliance review results to provide documentation to County representatives to resolve the audit exceptions. If, at the end of the thirty (30) calendar day period, there remains audit exceptions which have not been resolved to the satisfaction of County's representatives, then the exception rate found in the audit, or sample, shall be applied to the total County payment made to Contractor for all claims paid during the audit/compliance review period to determine Contractor's liability to County.

F. County Audit Settlements: If, at any time during the term of this Agreement or at any time within five (5)

years after the expiration or earlier termination of this Agreement, authorized representatives of County conduct an audit of Contractor regarding the services provided to County hereunder and if such audit finds that County's dollar liability for such services is less than payments made by County to Contractor, then Contractor agrees that the difference shall be either: (1) repaid forthwith by Contractor to County by cash payment, or (2) at Director's option, deducted from any further amount due Contractor from County. If such audit finds that County's dollar liability for services provided hereunder is more than payments made by County to Contractor, then the difference shall be paid forthwith to Contractor by County by cash payment.

11. REPORTS: Contractor shall make reports as required by County, or DHS, concerning Contractor's activities and operations as they relate to this Agreement and the provision of services hereunder. In no event, however may County, or DHS, require such reports unless Director has provided Contractor with at least thirty (30) calendar days' prior written notification thereof. Director's notification shall provide Contractor with a written explanation of the procedures for reporting the information required.

12. CONFIDENTIALITY: To the extent that Contractor may gain access hereunder to County patient records and information,

Contractor shall maintain the confidentiality of such records and information from third parties, including but not limited to, billings and County records, in accordance with all applicable federal, State, and local laws, ordinances, rules, regulations, and directives relating to confidentiality. Contractor shall inform all its officers, employees, agents, subcontractors, and others providing services hereunder of this confidentiality provision requirement. Contractor shall indemnify and hold harmless County, its officers, employees, agents, and subcontractors, from and against any and all loss, damage, liability, and expense arising out of any disclosure of patient records and information by Contractor, its officers, employees, agents, subcontractors, and others providing services hereunder.

13. CONTRACTOR'S OBLIGATION AS A BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA"): Under this Agreement, Contractor ("Business Associate") provides services ("Services") to County ("Covered Entity") and Business Associate receives, has access to or creates Protected Health Information and/or Electronic Protected Health Information in order to provide those services.

Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and regulations promulgated thereunder, including the Standards for Privacy of

Individually Identifiable Health Information ("Privacy Regulations") and the Health Insurance Reform: Security Standards (the "Security Regulations") at 45 Code of Federal Regulations Parts 160 and 164 (together, the "Privacy and Security Regulations").

The Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place;

Therefore, the parties agree as follows:

A. DEFINITIONS

(1) "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.

(2) "Electronic Media" has the same meaning as the term "electronic media" in 45 C.F.R. § 160.103. Electronic media means (a) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such

as magnetic tape or disk, optical disk, or digital memory card; or (b) Transmission media used to exchange information already in electronic storage media. Transmission media includes, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission. The term "Electronic Media" draws no distinction between internal and external data, at rest (that is, in storage) as well as during transmission.

(3) "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103. Electronic Protected Health Information means protected health information that is (a) transmitted by electronic media; (b) maintained in electronic media.

(4) "Individual" means the person who is the

subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g) .

(5) "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information that (a) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (b) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (c) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Health Information.

(6) "Required By Law" means a mandate contained in law that compels an entity to make a Use or Disclosure

of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.

(7) "Security Incident" means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information in, or interference with system operations of, an Information System which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an Information System when those attempts are not reasonably considered by Business Associate to constitute an actual threat to the Information System.

(8) "Services" has the same meaning as in the body of this Agreement.

(9) "Use" or "Uses" mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination, or analysis of such Information within Business Associate's internal operations.

(10) Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Regulations.

B. OBLIGATIONS OF BUSINESS ASSOCIATE

(1) Permitted Uses and Disclosures of Protected Health Information: Business Associate:

a. Shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in this Paragraph 13, Subparagraphs(s) B.(3), B.(4), B.(5), B.(6), B.(7), B(8), D.(3), and E.(2) of this Agreement.

b. Shall Disclose Protected Health Information to Covered Entity upon request;

c. May, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:

i. Use Protected Health Information; and

ii. Disclose Protected Health Information
if the Disclosure is Required by Law.

Business Associate shall not Use or Disclose
Protected Health Information for any other purpose.

(2) Adequate Safeguards for Protected Health
Information: Business Associate:

a. Shall implement and maintain appropriate
safeguards to prevent the Use or Disclosure of Protected Health
Information in any manner other than as permitted by this
Paragraph. Business Associate agrees to limit the Use and
Disclosure of Protected Health Information to the minimum
necessary in accordance with the Privacy Regulation's minimum
necessary standard.

b. Effective as of April 20, 2005,
specifically as to Electronic Health Information,
shall implement and maintain administrative,
physical, and technical safeguards that reasonably
and appropriately protect the confidentiality,
integrity, and availability of Electronic Protected
Health Information.

3) Reporting Non-Permitted Use or Disclosure and
Security Incidents: Business Associate shall report to
Covered Entity each Use or Disclosure that is made by
Business Associate, its employees, representatives,

agents or subcontractors but is not specifically permitted by this Agreement, as well as, effective as of April 20, 2005, each Security Incident of which Business Associate becomes aware. The initial report shall be made by telephone call to the Departmental Privacy Officer, telephone number 1(800) 711-5366 within forty-eight (48) hours from the time the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident to the Chief Privacy Officer at:

Chief Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple street, Suite 525
Los Angeles, California 90012

(4) Mitigation of Harmful Effect: Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Paragraph.

(5) Availability of Internal Practices, Books and Records to Government Agencies: Business Associate agrees to make its internal practices, books and records

relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

(6) Access to Protected Health Information:

Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity.

(7) Amendment of Protected Health Information:

Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.

(8) Accounting of Disclosures: Upon Covered Entity's request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or subcontractors. However, Business Associate is not required to provide an accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.)

Any accounting provided by Business Associate under this Subparagraph B.(8) shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected

Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Subparagraph B.8, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Subparagraph B.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

C. OBLIGATION OF COVERED ENTITY: Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

D. TERM AND TERMINATION:

(1) Term: The term of this Paragraph shall be the same as the term of this Agreement. Business

Associate's obligations under Subparagraphs B.(1) (as modified by Subparagraphs D.(2), B.(3), B.(4), B.(5), B.(6), B.(7), B.(8), D.(3), and E.(2) shall survive the termination or expiration of this Agreement.

(2) Termination for Cause: In addition to and notwithstanding the termination provisions set forth in this Agreement, upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

a. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

b. Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or

c. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.

(3) Disposition of Protected Health Information Upon Termination or Expiration:

a. Except as provided in Sub-paragraph (b) of

this section, upon termination for any reason or expiration of this Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

b. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make infeasible. If return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

E. MISCELLANEOUS:

(1) No Third Party Beneficiaries: Nothing in this Paragraph shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

(2) Use of Subcontractors and Agents: Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Paragraph.

(3) Relationship to Services Agreement Provisions: In the event that a provision of this Paragraph is contrary to another provision of the Agreement, the provision of this Paragraph shall control. Otherwise, this Paragraph shall be construed under, and in accordance with, the terms of this Agreement.

(4) Regulatory References: A reference in this Paragraph to a section in the Privacy or Security Regulations means the section as in effect or as amended.

(5) Interpretation: Any ambiguity in this Paragraph shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.

(6) Amendment: The parties agree to take such action as is necessary to amend this Paragraph from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations.

14. COMPLIANCE WITH JURY SERVICE PROGRAM:

A. Jury Services Program: This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy:

(1) Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "contractor" as defined under the Jury Services Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Services Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its employees shall receive from

Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service served. Contractor's policy may further provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fees received for jury service.

(2) For purpose of this Paragraph, and as set forth in the Jury Service Program provision of the County Code as described hereinabove: "Contractor" shall mean a person, partnership, corporation, or other entity, that has a contract with County, or a subcontract with a County contractor, and has received, or will receive, an aggregate sum of Fifty Thousand Dollars (\$50,000) or more in any twelve (12) month period under one (1) or more County contracts or subcontracts; "employee" shall mean any California resident who is a full-time employee of Contractor; and "full-time" shall mean forty (40) hours or more worked per week, or a lesser number of hours, if: 1) the lesser number is a recognized industry standard as determined by County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time.

Full-time employees providing short-term temporary services of ninety (90) days or less within a twelve

(12) month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

(3) If Contractor is not required to comply with the Jury Service Program on the effective date of this Agreement, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Services Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "contractor", or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during the Agreement term, and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or

that Contractor continues to qualify for an exception to the Jury Service Program.

(4) Contractor's violation of this Paragraph of the Agreement may constitute a material breach of this Agreement. In the event of such breach, County may, in its sole discretion, terminate this Agreement and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

15. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES: Contractor shall obtain and maintain in effect during the term of this Agreement, all appropriate licenses, permits, registrations, accreditations, and certificates required by all applicable federal, State, and local laws, regulations, guidelines and directives, for the operation of its business and for the provisions of services hereunder. Contractor shall ensure that all of its officers, employees, and agents who perform services hereunder, obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates required by federal, State, and local laws, regulations, guidelines and directives, which are applicable to their performance hereunder. Upon Director's written request Contractor shall provide Director with a copy of each license, permit, registration, accreditation, and

certificate, as required by all applicable federal, State, and local laws, regulations, guidelines and directives, within ten (10) calendar days thereafter.

16. INDEPENDENT CONTRACTOR STATUS:

A. This Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of employee, agent, servant, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, employees or agents of the other party for any purpose whatsoever.

B. Contractor shall be solely liable and responsible for providing to, or on behalf of, its officers and employees all legally required employee benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, federal, State, and local taxes, or other compensation, benefits, or taxes to, or on behalf of, any personnel provided by Contractor.

C. Contractor understands and agrees that all persons furnishing services to County pursuant to this Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. Contractor shall bear the sole liability and responsibility

for furnishing workers' compensation benefits to any person for injuries arising from or connected with services performed by or on behalf of Contractor pursuant to this Agreement.

17. REQUIREMENT TO NOTIFY EMPLOYEES ABOUT FEDERAL EARNED INCOME CREDIT ("EIC"): Contractor shall notify its employees, and shall require that each of its subcontractors notify its employees; to inform them that they may be eligible for claiming federal EIC as allowed under the federal income tax laws. Such notification shall be provided in accordance with the requirements as set forth in the Department of Treasury Internal Revenue Service's ("IRS") Notice 1015; copies of which, are available from the IRS Forms Distribution Center, by calling 1-(800)-829-3676.

18. COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

A. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through County contracts are in compliance with their court ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program

(County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the federal Social Security Act (42 U.S.C. section 653a) and California Unemployment Insurance Code section 1088.55, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department ("CSSD") Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure section 706.031 and Family Code section 5246(b).

B. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM :

Failure of Contractor to maintain compliance with the requirements set forth in the CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM Paragraph immediately above, shall constitute a default by Contractor under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this contract

pursuant to the Termination for Default Paragraph of this Agreement and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

19. SAFELY SURRENDERED BABY LAW: In accordance with County's goal to encourage the safe surrender of an unwanted newborn(s) (i.e., a baby[ies] seventy-two [72] hours old or less) by a mother or person with lawful custody to a designated safe haven site (e.g., all hospitals with emergency rooms, County fire stations, County medical centers, etc.) without fear of litigation and to further ensure that no newborn baby is ever abandoned in Los Angeles County; Contractor shall agree to notify and provide to all of its officers, employees, and agents, information on the Safely Surrendered Baby Law (also known as the Newborn Abandonment Law or Safe Haven Law) and its implementation within Los Angeles County. Contractor shall request and obtain from Director information and notices for notifying its officers, employees, and agents, on County's implementation of the Safely Surrendered Baby Law, as it now exist or may hereafter be amended, from time-to-time, but no less than on an annual basis.

20. CONSIDERATION OF COUNTY'S DEPARTMENT OF PUBLIC SOCIAL SERVICES ("DPSS") GREATER AVENUES FOR INDEPENDENCE ("GAIN") PROGRAM OR GENERAL RELIEF OPPORTUNITY FOR WORK ("GROW") PARTICIPANTS FOR EMPLOYMENT: Should Contractor require additional or replacement personnel after the effective date of this Agreement,

Contractor shall give consideration for any such employment openings to participants in the County's DPSS GAIN or GROW program(s), who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to the Contractor. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

21. COUNTY EMPLOYEE'S RIGHT OF FIRST REFUSAL AND CONTRACTOR'S OFFERS OF EMPLOYMENT: To the degree permitted by Contractor's agreements with its collective bargaining units, Contractor shall give the right of first refusal for its employment openings at Contractor's facility to qualified County employees who are laid-off or who leave County employment in lieu of reduction under County's Civil Service Rule 19, and who are referred to Contractor by Director (including those on a County re-employment list). Such offers of employment shall be limited to vacancies in Contractor's staff needed to commence services under this Agreement, as well as, to vacancies that occur during the Agreement term. Such offers of employment shall be consistent with Contractor's current employment policies, and shall be made to any former or current County employee who has made application to Contractor, and is qualified for the

available position. Employment offers shall be at least under the same conditions and rates of compensations which apply to other persons who are employed or may be employed by Contractor. Former County employees who have been impacted by County's Civil Service Rule 19, and who are employed by Contractor shall not be discharged during the term of the Agreement except for cause, subject to Contractor's personnel policies and procedures, and agreement(s) with its collective bargaining units. Contractor shall also give first consideration to laid-off or reduced County employees if vacancies occur at Contractor's other service sites during the Agreement term.

22. NO INTENT TO CREATE A THIRD PARTY BENEFICIARY CONTRACT:

Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person shall acquire any rights as a third party beneficiary under this Agreement.

23. SERVICE DELIVERY SITE - MAINTENANCE STANDARDS:

Contractor shall assure that the location(s) (e.g., facility[ies]) where Contractor provides services under this Agreement, is/are operated at all times in accordance with all County and local community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facility(ies)

shall include a review of compliance with the provisions of this Paragraph.

24. DAMAGE TO COUNTY BUILDINGS, FACILITIES, OR GROUNDS:

Contractor shall repair, or cause to be repaired, at its own cost, any damage to County buildings, facilities, or grounds, caused by Contractor or any officer, employee, or agent of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event, later than thirty (30) calendar days after the occurrence.

If Contractor fails to make timely repairs, County may make any necessary repairs on its own. All costs incurred by County for such repairs, as determine by Director, shall be repaid by Contractor upon demand.

25. USE OF RECYCLED - CONTENT PAPER: Consistent with County's Board of Supervisors policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content bond paper and paper products to the maximum extent possible in connection with services to be performed by Contractor under this Agreement.

26. NOTICE OF DELAYS: Except as otherwise provided under this Agreement, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall within two

(2) calendar days, give notice thereof, including all relevant information with respect thereto, to the other party.

27. RESTRICTIONS ON LOBBYING:

A. Federal Certification and Disclosure Requirement:

If any federal monies are to be used to pay for Contractor's services under this Agreement, Contractor shall comply with all certification and disclosure requirements prescribed by section 319, Public Law 101-121 (31 U.S.C. section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully comply with all such certification and disclosure requirements.

B. County Lobbyists: Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code section 2.160.010, retained by Contractor, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Agreement upon which Director may suspend or County may immediately terminate this Agreement.

28. CONFLICT OF INTEREST:

A. No County officer or employee whose position in

County enables such officer or employee to influence the award or administration of this Agreement or any competing agreement, and no spouse or economic dependent of such officer or employee shall be employed in any capacity by Contractor herein, or have any other direct or indirect financial interest in this Agreement. No officer, employee, agent, or subcontractor of Contractor who may financially benefit from the provision of services hereunder shall in any way participate in County's approval process for the award of this Agreement or any competing agreement, or ongoing evaluation of such services, under this Agreement or any competing agreement, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such services.

B. Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to Director. Full written disclosure shall include, without limitation, identification of all persons involved, or

implicated, and a complete description of all relevant circumstances.

29. COUNTY'S QUALITY ASSURANCE PLAN: County or its agent(s), will be allowed to evaluate Contractor's performance (including the performance of any party providing services on behalf of Contractor) under this Agreement as may be required from time-to-time for quality assurance purposes, but not less than on an annual basis. Such an evaluation will include, but not be limited to, assessing Contractor's compliance with all Agreement terms and performance standards. Any Contractor deficiencies or actions which are found to be in non-compliance with such terms and performance standards which Director determines are severe, or continuing, and that may place the performance of this Agreement in jeopardy if not corrected, will be immediately reported to County's Board of Supervisors by Director. The report will include a description of the quality improvement and/or corrective action measures to be taken by County and Contractor. If Contractor's performance does not improve after the initiation of such quality improvement and/or corrective actions, then County may impose other penalties as may be specified in this Agreement, or may terminate this Agreement immediately.

30. TERMINATION FOR INSOLVENCY, DEFAULT, GRATUITIES, AND/OR IMPROPER CONSIDERATIONS, AND CONVENIENCE:

A. Termination for Insolvency: County may terminate this Agreement immediately for default in the event of the occurrence of any of the following:

(1) Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts at least sixty (60) calendar days in the ordinary course of business or cannot pay its debts as they become due, whether Contractor has committed an act of bankruptcy or not, and whether Contractor is insolvent within the meaning of the federal Bankruptcy Law or not;

(2) The filing of a voluntary or involuntary petition under the federal Bankruptcy Law;

(3) The appointment of a Receiver or Trustee for Contractor;

(4) The execution by Contractor of an assignment for the benefit of creditors.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

B. Termination For Default: County may, by written notice of default to Contractor, terminate this Agreement immediately in any one of the following circumstances:

(1) If, as determined in the sole judgment of

County, Contractor fails to perform any services within the times specified in this Agreement or any extension thereof as County may authorize in writing; or

(2) If, as determined in the sole judgment of County, Contractor fails to perform and/or comply with any of the other provisions of this Agreement, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these two (2) circumstances, does not cure such failure within a period of five (5) calendar days (or such longer period as County may authorize in writing) after receipt of notice from County specifying such failure.

In the event that County terminates this Agreement as provided hereinabove, County may procure, upon such terms and in such manner as County may deem appropriate, services similar to those so terminated, and Contractor shall be liable to County for any reasonable excess costs incurred by County for such similar services.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

C. Termination For Gratuities and/or Improper

Consideration: County may, by written notice to Contractor, immediately terminate Contractor's right to proceed under this Agreement, if it is found that gratuities or consideration in any form, were offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent, with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment, or extension of the Agreement, or making of any determinations with respect to the Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could in the event of default by Contractor.

Contractor shall immediately report any attempt by a County officer, employee, or agent, to solicit such improper gratuity or consideration. The report shall be made either to the County manager charged with the supervision of the employee or agent, or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

(Among other items, such improper gratuities and considerations may take the form of cash, discounts, services, the provision of travel or entertainment, or other tangible gifts.)

D. Termination For Convenience: The performance of services under this Agreement may be terminated, with or without cause, in whole or in part, from time to time when such action is deemed by County to be in its best interest. Termination of services hereunder shall be effected by delivery to Contractor of a ten (10) calendar day advance Notice of Termination specifying the extent to which performance of services under this Agreement is terminated and the date upon which such termination becomes effective.

After receipt of a Notice of Termination and except as otherwise directed by County, Contractor shall:

(1) Stop services under this Agreement on the date and to the extent specified in such Notice of Termination; and

(2) Complete performance of such part of the services as shall not have been terminated by such Notice of Termination.

Further, after receipt of a Notice of Termination, Contractor shall submit to County, in the form and with the certifications as may be prescribed by County, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but not later than sixty (60) calendar days from the effective date of termination. Upon failure of Contractor to submit its termination claim and

invoice within the time allowed, County may determine on the basis of information available to County, the amount, if any, due to Contractor in respect to the termination, and such determination shall be final. After such determination is made, County shall pay Contractor the amount so determined.

Contractor for a period of five (5) years after final settlement under this Agreement, in accordance with Paragraph 10, Records and Audits, herein, retain and make available all its books, documents, records, or other evidence, bearing on the costs and expenses of Contractor under this Agreement in respect to the termination of services hereunder.

31. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.

B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in

addition to other remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years, but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

C. The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness, or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

D. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the

scheduled date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where, evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit

a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interest of the County.

H. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant

to the same procedures as for a debarment hearing. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation or the Contractor Hearing Board.

I. These terms shall also apply to subcontractors of County Contractors.

32. SOLICITATION OF BIDS OR PROPOSALS: Contractor acknowledges that County, prior to expiration or earlier termination of this Agreement, may exercise its right to invite bids (e.g., invitation for bids ["IFB"]), request proposals (e.g., request for proposals ["RFP"]), or do other similar competitive selection procedures, in order to select providers for the continued provision of the services delivered or contemplated under this Agreement. County and/or DHS shall make the determination to solicit bids or proposals in accordance with applicable County and DHS policies.

Contractor acknowledges that County may enter into a contract for the future provision of services, based upon the bids or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it

obtains no greater right to be selected through any future bids, proposals, or other competitive selection procedure, by virtue of its present status as Contractor.

33. GOVERNING LAW, JURISDICTION, AND VENUE: This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that the venue of any action (other than an appeal or an enforcement of a judgement) brought by Contractor, on Contractor's behalf, or on the behalf of any subcontractor, which arises from this Agreement or is concerning or connected with services performed pursuant to this Agreement, shall be exclusively in the courts of the State of California located in Los Angeles County, California.

34. WAIVER: No waiver of any breach of any provision of this Agreement by County shall constitute a waiver of any other breach of such provision. Failure of County to enforce at any time, or from time-to-time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.

35. SEVERABILITY: If any provision of this Agreement or the application thereof to any person or circumstance is held

invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

JR/jr
7-14-05
Hippa-update-Feb.05

COMPUTER CREDIT, INC

STATEMENT OF WORK

DELINQUENT PATIENT ACCOUNT COLLECTION LETTER SERVICES

1. GENERAL DESCRIPTION OF CONTRACTOR'S DUTIES: Contractor understands that DHS utilizes Collection Letter Services ("CLS") to collect for healthcare services rendered to the public through its network of medical centers/hospitals, comprehensive health centers, community health centers, and public health centers (i.e., collectively "County facilities"). Further, Contractor understands that typically, DHS may (1) refer patient accounts classified as "Self Pay" for CLS that are wholly unpaid and do not have third-party resources such as commercial insurance or Medi-Cal coverage, or (2) utilize CLS for the County's Consolidated Business Office ("CBO") initial collection efforts or other related collection efforts.

As such, Contractor's provision of CLS shall include, but not be limited to, issuing collection letters for County for DHS inpatient and/or outpatient Self-Pay classified accounts (or any other type of DHS account) referred to Contractor.

Contractor shall provide CLS as described herein to each of the County facilities identified in Exhibit B, County Facilities To Be Served, with the exception of Comprehensive Health Centers

and Health Centers. Primary responsibilities and/or services to be provided by contractor shall include, but not be limited to, the following individual tasks and general work duties, procedures, and/or CLS to be performed by Contractor under this Agreement:

A. Contractor shall: (1) generate a progressive series of collection notices; (2) maintain accountability and reporting of account status to the applicable County facility.

B. Contractor must be able to readily accept County's patient account data in either QuadraMed's Affinity, and/or McKesson softwares.

C. Contractor shall initiate collection notices activities by mailing a progressive series of three (3) written collection notices, which are to be mailed using the U.S. mail to patient's mailing address, with the contents of the collection letter (or other document) and timing (e.g. send out date) approved by Director prior to such mailing, for each account referred to Contractor. Contractor shall ensure the referring facility's telephone number is listed on all collection letter notices.

D. Contractor shall maintain an inventory system, in addition to any reports required herein, of patient's

accounts referred for CLS that can be identified by patient's name and County facility.

E. In the event that a patient or a debtor disputes any amount of the balance due on his/her patient's account or liability for payment, Contractor shall inform Director and shall immediately discontinue any CLS activities on disputed patient's account until directed by County to resume.

F. Contractor shall provide weekly and/or monthly reports as directed by Director, which reflects the CLS performed by Contractor under this Agreement by facility and total number of County facilities. Contractor shall further provide at no additional cost to the County, any customized reports related to this Agreement, in the formats and time frames as requested by Director, from time-to-time.

G. Contractor shall not cause any patient's name or account, or any debtor's name or account to be listed with any credit reporting service.

H. Contractor may be requested to generate facility specific self-pay notices (i.e., data mailers) for outstanding accounts. The data mailers will be printed on behalf of the referring facility and will contain, but not be limited to, County letterhead information, any customized messages, and County facility telephone number. Data

mailers will not contain any references to the Contractor. The referring County facility will direct Contractor on the number of data mailers to be issued for each outstanding self-pay account (i.e., one to three data mailers). The data mailer process will precede the CLS process.

Contractor must be able to provide this service. Contractor must provide a price for each data mailer sent out.

I. Contractor shall readily accept DHS referred and/or assigned account data in various formats as may be provided by DHS (i.e., electronic media, magnetic tape, hard copy, or other medium that may become available) which includes (1) loading/entering the files/data to Contractor's system; (2) providing DHS with an acknowledgment of receipt of the files/data in a DHS required format; (3) segregating all DHS accounts from all other contractor accounts; and (4) maintaining all necessary safeguards to ensure DHS account information is kept confidential. Furthermore, Contractor shall have the ability to post accurately any adjustments to the appropriate account for which DHS has deemed such adjustment(s) necessary.

J. Contractor shall have specific operational capacities to include automated systems, media capabilities, adequate software programs, and additional sources of data to be used in addition to DHS provided data in order to

provide the services described in this Agreement, which include production of management and production/operational reports and adequate tracking mechanisms required for such services.

2. CONTRACTOR PERSONNEL:

A. Contractor shall assign a Contract Manager to act as liaison for Contractor and who will have full authority to act on behalf of Contractor in all matters related to the daily operation of this Agreement. Contractor shall inform the DHS Contract Coordinator in writing of the name, address, telephone number, and electronic mail ("e-mail") address of the individual designated to act as Contract Manager, or any alternate, and provide a current copy of the person's resume at the time this Agreement is implemented and as changes occur during the term of this Agreement. Director shall have the right to approve the assignment or replacement of any Contract Manager or alternate recommended by Contractor. The Contract Manager or any alternate shall be available during normal business hours, 8:00 a.m. and 5:00 p.m., Monday through Friday, for telephone contact and to meet with designated County personnel to discuss the operation of this Agreement. The Contract Manager shall meet with the DHS Contract Coordinator as often as may be necessary, to discuss Contractor's performance pursuant to

this Agreement. A mutual effort will be made to promptly resolve any problems and performance deficiencies identified.

B. Contractor and Contractor's personnel shall work independently on designated assignments in accordance with the Statement of Work duties contained herein.

C. Notwithstanding any representations by County regarding the participation of County personnel under this Agreement, Contractor assumes sole responsibility for the timely completion of all activities assigned in this Agreement.

D. Contractor shall ensure that all of Contractor's personnel sign a CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT form prior to commencing services. and return the form to the Contract Coordinator within three (3) business days of assigning an employee to provide the services hereunder. Contractor shall maintain the signed original in accordance with the RECORDS AND AUDITS Paragraph of the ADDITIONAL PROVISIONS of this Agreement.

E. Contractor's personnel providing services hereunder shall at all times be employees of Contractor and as such, Contractor shall be solely responsible for the hiring, suspending, disciplining or discharging of such employees when needed. DHS may refuse utilization of specific

employees of Contractor for any reason, and in such event, such employee shall be immediately removed from services hereunder by Contractor upon the written request of the DHS Contract Coordinator, as described hereinbelow, and shall be immediately replaced by Contractor pursuant to the agency's internal policies.

3. COUNTY PERSONNEL: County does not anticipate assigning any County employee to assist Contractor on a full-time basis regarding services to be provided by Contractor. However, County personnel will be made available to Contractor at the discretion of Director to provide necessary input and assistance in order to answer questions and provide necessary liaison activities between Contractor and County facilities.

COUNTY FACILITIES TO BE SERVED

CLS to be provided to requesting County facilities, except Comprehensive Health Centers and Health Centers.

Data Mailers to be provided to any requesting County facility.

NORTH/EAST REGION	
Hospital(s)	
(1)	Los Angeles County+USC Medical Center 1200 North State Street Los Angeles, California 90033
Comprehensive Health Center(s)	
(2)	Edward R. Roybal Comprehensive Health Center 245 South Fetterly Avenue Los Angeles, California 90022
(3)	El Monte Comprehensive Health Center 10953 Ramona Boulevard El Monte, California 91731
(4)	H. Claude Hudson Comprehensive Health Center 2829 South Grand Avenue Los Angeles, California 90007
Health Center(s)	
(5)	Burke Health Center 2509 Pico Boulevard Santa Monica, California 90405
(6)	Central Health Center 241 North Figueroa Street Los Angeles, California 90012
(7)	Hollywood-Wilshire Health Center 5205 Melrose Avenue Los Angeles, California 90038
(8)	La Puente Health Center 15930 Central Avenue La Puente, California 91744
(9)	Monrovia Health Center 330 West Maple Avenue Monrovia, California 91016

(10)	Pomona Health Center 750 South Park Avenue Pomona, California 91767
(11)	Ruth Temple Health Center 3834 South Western Avenue Los Angeles, California 90062
(12)	Whittier Health Center 7643 South Painter Avenue Whittier, California 90602

COASTAL REGION	
Hospital(s)	
(1)	Harbor/UCLA Medical Center 1000 West Carson Street Torrance, California 90509
Comprehensive Health Center(s)	
(2)	Long Beach Comprehensive Health Center 1333 Chestnut Avenue Long Beach, California 90813
Health Center(s)	
(3)	Bellflower Health Center 10005 East Flower Street Bellflower, California 90706
(4)	Gardena School Based Clinic 1301 West 182nd Street Gardena, California 90248
(5)	Torrance Health Center 2300 Carson Street Torrance, California 90501
(6)	Wilmington Health Center 1325 Broad Avenue Wilmington, California 90744

SOUTHWEST REGION	
Hospital(s)	
(1)	Martin Luther King, Jr. Medical Center 12021 Wilmington Avenue Los Angeles, California 90059
Comprehensive Health Center(s)	
(2)	Hubert H. Humphrey Comprehensive Health Center 5850 South Main Street Los Angeles, California 90003
Health Center(s)	
(3)	Curtis R. Tucker Health Center 123 West Manchester Boulevard Inglewood, California 90301
(4)	Dollarhide Health Center 1108 N. Oleander Street Compton, California 90222
(5)	South Health Center 1522 East 102nd Street Los Angeles, California 90022

SAN FERNANDO VALLEY REGION	
Hospital(s)	
(1)	Olive View/UCLA Medical Center 14445 Olive View Drive Sylmar, California 91342
Comprehensive Health Center(s)	
(2)	Mid-Valley Comprehensive Health Center 7515 Van Nuys Boulevard Van Nuys, California 91405
Health Center(s)	
(3)	Glendale Health Center 501 North Glendale Avenue Glendale, California 91206

(4)	North Hollywood Health Center 5300 Tujunga Avenue North Hollywood, California 91601
(5)	Pacoima Health Center 13300 Van Nuys Boulevard Pacoima, California 91331
(6)	San Fernando Health Center 1212 Pico Street San Fernando, California 91340
(7)	Vaughn School Based Clinic 13330 Vaughn Street San Fernando, California 91340

ANTELOPE VALLEY REGION	
Multiservice Ambulatory Care Center	
(1)	High Desert Health System Multiservice Ambulatory Care Center (MACC) 44900 North 60th Street West Lancaster, California 93536
Health Center(s)	
(2)	Antelope Valley Health Center 335-B East Avenue K6 Lancaster, California 93535
Other Health Facilities (Health Centers)	
(3)	Lake Los Angeles Clinic 16921 East Avenue O, Suite G Palmdale, California 93550
(4)	Littlerock Clinic 8201 Pearblossom Highway Littlerock, California 93543
(5)	South Valley Health Center 38358 40 th Street East Palmdale, California 93551

OTHER	
Hospital(s)	
(1)	Rancho Los Amigos National Rehabilitation Center 7601 East Imperial Highway Downey, California 90242

SCHEDULE A

COMPUTER CREDIT, INC
COLLECTION LETTER SERVICES AGREEMENT
MARCH 1, 2006 THROUGH DECEMBER 31, 2010

BUDGET

County shall compensate Contractor for providing services hereunder at rates not to exceed the following:

- A. \$0.51 (Fifty-One Cents) for each data mailer requested by DHS facility.
- B. \$2.15 (Two Dollars and Fifteen Cents) for each account, which shall consist of a series of three collection letters prepared and issued by Contractor.

Billings by Contractor to County shall identify the month, day, and year of billing, invoice reference number, any adjustment credited to each account with explanations, and beginning and ending invoice balances.

Billing shall be made and forwarded to County to the address provided by County facility requesting services. County shall pay Contractor within a reasonable time following receipt of this information.

CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT

PROJECT NAME _____

CONTRACTOR/EMPLOYER NAME _____

CONTRACT NUMBER _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgment and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced Contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on behalf by virtue of my performance of work under the above-referenced Contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced Contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

You may be involved with work pertaining to services provided by the County of Los Angeles and, if so, you may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, you may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records.

If you are to be involved in County work, the County must ensure that you, too, will protect the confidentiality of such data and information. Consequently, you must sign this agreement as a condition of your work to be provided by your employer for the County. Please read this agreement and take due time to consider it prior to signing.

CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT
(CONTINUED)

PROJECT NAME _____

CONTRACTOR/EMPLOYER NAME _____

CONTRACT NUMBER _____

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced Contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, vendor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced Contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of the contract by myself and/or by any other person of which I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract, or termination of my employment with my employer, whichever occurs first.

I acknowledge that violation of this Agreement will subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

NAME: _____
(Signature)

NAME: _____ DATE: ____/____/____
(Print)

POSITION: _____

DISCUSSED WITH EMPLOYEE (SUPERVISOR NAME): _____
(Signature)

NAME: _____ DATE: ____/____/____
(Print)

POSITION: _____

c: County DHS Contract Coordinator

Contract No. _____

DELINQUENT PATIENT ACCOUNT COLLECTION LETTER SERVICES AGREEMENT

THIS AGREEMENT is made and entered into this _____ day
of _____, 2006

by and between

COUNTY OF LOS ANGELES (hereafter
"County"),

and

USCB INCORPORATED.
(hereafter "Contractor").

WHEREAS, pursuant to the provisions of sections 1441 and 1445 of the California Health and Safety Code Section, County has established and operates, through its Department of Health Services, a network of County hospitals, comprehensive health centers and health centers, public health, the Consolidated Business Office, support facilities, Public/Private Partnerships, and Managed Care Facilities (collectively hereafter "County Facility" or "County Facilities", as appropriate); and

WHEREAS, the term "Director" as used herein refers to the County's Director of Department of Health Services ("DHS"), or his authorized designee (hereafter jointly referred to as ("Director")); and

WHEREAS, County finds it necessary to secure professional collection letter services and believes it is in the best interest of the County to enter into an agreement with Contractor

for said services which are specifically authorized by statute;
and

WHEREAS, Contractor is willing to provide the services described herein, and possesses the competence, expertise, and personnel to provide such delinquent patient account Collection Letter Services ("CLS") described hereunder and has offered its resources to County; and

WHEREAS, Contractor is a financial services firm, by virtue of its competence and expertise in the area of collection letter services, is qualified to perform the required services; and

WHEREAS, County has authority to enter into this Agreement under Government Code sections 26220 and 31000.

NOW, THEREFORE, the parties hereto agree as follows:

1. TERM: The term of this Agreement shall commence on the date of approval by County's Board of Supervisors ("Board") and shall continue in full force and effect, to December 31, 2006. Said agreement shall thereafter be automatically renewed on an annual basis for up to a period of four (4) years without further action by the parties hereto, to and including December 31, 2010.

In any event, this Agreement may be canceled or terminated at any time by either party, with or without cause, upon the giving of at least thirty (30) calendar days advance written notice to

the other party. Further, County may also suspend the performance of services hereunder, in whole or in part, upon the giving of at least a thirty (30) calendar days advance written notice to Contractor. County's notice shall set forth the extent of the suspension and the requirements for full restoration of the performance obligations.

Notwithstanding any other provision of this Agreement, the failure of Contractor or its officers, employees, agents, or subcontractors, to comply with any of the terms of this Agreement or any written directions by or on behalf of County issued pursuant hereto shall constitute a material breach hereto, and this Agreement may be terminated by County immediately. County's failure to exercise this right of termination shall not constitute a waiver of such right, which may be exercised at any subsequent time.

2. DESCRIPTION OF SERVICES:

A. Contractor shall provide CLS to County in the manner described in Exhibit "A", Statement of Work, attached hereto and incorporated herein by reference, for the County Facilities listed in Exhibit "B", COUNTY FACILITIES TO BE SERVED, attached hereto and incorporated herein by reference.

B. Director may add or delete County Facility service sites as may be necessary from time-to-time during the term

of this Agreement, by providing at least ten (10) calendar days prior written notice to Contractor.

C. Contractor shall ensure that all of its agents, employees, and staff to perform CLS as described herein sign a Contractor EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT, (Attachment "A") attached hereto and incorporated herein by reference, prior to commencing contract services. Such signed form should be retained by Contractor in accordance with the RECORDS AND AUDITS Paragraph of the ADDITIONAL PROVISIONS hereunder and a copy forwarded to DHS Contract Coordinator.

3. NONEXCLUSIVITY: Contractor acknowledges that it is not necessarily an exclusive provider to County of the CLS to be provided under this Agreement, that County has, or may enter into agreements (i.e., contracts) with other providers of said services, and that County reserves the right to itself perform the services with its own County personnel. During the term of this Agreement, Contractor agrees to provide County with the services described in the Agreement.

4. BILLING AND PAYMENT: Contractor shall bill County monthly in arrears for services provided by Contractor. County shall pay Sixty Five Cents (\$0.65) for each Data Mailer and Two Dollars (\$2.00) for each account, which shall consist of a series of three collection letters prepared and issued by contractor.

County agrees that if the U.S. Postage rate is increased at any time during the term of this Agreement, the County shall increase its payment to Contractor by the same amount as the increase in the applicable U.S. Postage rate upon the effective date of such increase by the U.S. Postal Service for each delinquent patient account and data mailer. Billings by Contractor shall identify the month, day, and year of billing, invoice reference number, any adjustments credited to each account with explanations, and beginning and ending invoice balances. Billings shall be made and forwarded to County to the address provided by Hospital requesting service and in accordance with the Scope of Work, attached herein. For purposes of this Agreement, County agrees to compensate Contractor, in accordance with the terms and conditions set forth in Schedule "A", BUDGET, attached hereto and incorporated herein by reference.

5. COUNTY'S OBLIGATION FOR FUTURE FISCAL YEARS: Notwithstanding any other provision of this Agreement, County shall not be obligated for the services performed hereunder, or by any provision of this Agreement, during any of County's future July 1 - June 30 fiscal years unless and until County's Board of Supervisors appropriates funds for this Agreement in County's Budget for each such future fiscal year. In the event that funds are not appropriated for this Agreement, then this Agreement shall be deemed to have terminated on June 30 of the last County

fiscal year for which funds were appropriated. Director shall notify Contractor in writing of such non-appropriation of funds at the earliest possible date.

6. NO PAYMENT FOR SERVICES PROVIDED FOLLOWING EXPIRATION/TERMINATION OF AGREEMENT: Contractor shall have no claim against County for the payment of any monies, or reimbursements of any kind whatsoever, for any service provided by Contractor after the expiration or (other) termination of this Agreement, even if Contractor's provision of such services were requested by County directly. Should Contractor receive any such payment, it shall immediately notify County and shall repay or return all such funds or reimbursements to County within a reasonable amount of time. Payment by County for services rendered after expiration/termination of this Agreement shall not constitute a waiver of County's right to recover such payment from Contractor. This provision shall survive the expiration or (other) termination of this Agreement.

7. INDEMNIFICATION: Contractor shall indemnify, defend, and hold harmless County and its Special Districts, elected and appointed officers, employees, and agents from and against any and all liability, including but not limited to demands, claims, actions, fees, costs, and expenses (including attorney and expert witness fees), arising from or connected with Contractor's acts and/or omissions arising from and/or relating to this Agreement.

8. GENERAL INSURANCE REQUIREMENTS: Without limiting Contractor's indemnification of County and during the term of this Agreement, Contractor shall provide and maintain, and shall require all of its subcontractors to maintain, the following programs of insurance specified in this Agreement. Such insurance shall be primary to and not contributing with any other insurance or self-insurance programs maintained by County, and such coverage shall be provided and maintained at Contractor's own expense. In any event, Contractor may satisfy the insurance coverage requirements specified in this Agreement by providing evidence of Contractor's self-insurance program, as described hereinbelow. Such evidence shall be provided in a formal declaration (on Contractor's letterhead, if available) that declares Contractor is self-insured for the type and amount of coverage as described in Paragraph 9, Insurance Coverage Requirements, hereinbelow. Contractor's declaration may be in the form of a corporate resolution or a certified statement from a corporate officer or an authorized principal of Contractor. The statement also must identify which required coverages are self-insured and which are commercially insured. Contractors who are self-insured for workers compensation must provide a copy of their "Certificate of Consent to Self-Insure" issued by the State in which services will be provided. Further, Contractor's self-

insurance program must be reviewed and approved by County's Risk Manager prior to the effective date of this Agreement.

A. Evidence of Insurance: Certificate(s) or other evidence of coverage satisfactory to County shall be delivered to Director at the: DHS; Contracts and Grants Division; 313 North Figueroa Street, 6th Floor-East; Los Angeles, California 90012-2659, and to DHS; Revenue Services, 313 North Figueroa Street, Room 527, Los Angeles, California 90012, prior to commencing services under this Agreement.

Such certificates or other evidence shall:

- (1) Specifically identify this Agreement.
- (2) Clearly evidence all coverages required in this Agreement.
- (3) Contain the express condition that County is to be given written notice by mail at least thirty (30) calendar days in advance of cancellation for all policies evidenced on the certificate of insurance.
- (4) Include copies of the additional insured endorsement to the commercial general liability policy, adding County of Los Angeles, its Special Districts, its officials, officers, and employees as insured for all activities arising from this Agreement.
- (5) Identify any deductibles or self-insured retentions for County's approval. County retains the

right to require Contractor to reduce or eliminate such deductibles or self-insured retentions as they apply to County, or, require Contractor to provide a bond guaranteeing payment of all such retained losses and related costs, including, but not limited to, expenses or fees, or both, related to investigations, claims administrations, and legal defense. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

B. Insurer Financial Ratings: Insurance is to be provided by an insurance company acceptable to County with an A.M. Best rating of not less than A:VII, unless otherwise approved by County.

C. Failure to Maintain Coverage: Failure by Contractor to maintain the required insurance, or to provide evidence of insurance coverage acceptable to County, shall constitute a material breach of contract upon which County may immediately terminate or suspend this Agreement. County, at its sole option, may obtain damages from Contractor resulting from said breach. Alternatively, County may purchase such required insurance coverage, and without further notice to Contractor, County may deduct from sums due to Contractor any premium costs advanced by County for such insurance.

D. Notification of Incidents, Claims, or Suits:

Contractor shall report to County:

(1) Any accident or incident relating to services performed under this Agreement which involves injury or property damage which may result in the filing of a claim or lawsuit against Contractor and/or County. Such report shall be made in writing within twenty-four (24) hours of occurrence.

(2) Any third party claim or lawsuit filed against Contractor arising from or related to services performed by Contractor under this Agreement.

(3) Any injury to a Contractor employee which occurs on County property. This report shall be submitted on a County "Non-Employee Injury Report" to County contract manager.

(4) Any loss, disappearance, destruction, misuse, or theft of any kind whatsoever of County property, monies, or securities entrusted to Contractor under the terms of this Agreement.

E. Compensation for County Costs: In the event that Contractor fails to comply with any of the indemnification or insurance requirements of this Agreement, and such failure to comply results in any costs to County, Contractor shall pay full compensation for all costs incurred by County.

F. Insurance Coverage Requirements for Subcontractors:

Contractor shall ensure any and all subcontractors performing services under this Agreement meet the insurance requirements of this Agreement by either:

(1) Contractor providing evidence of insurance covering the activities of subcontractors, or

(2) Contractor providing evidence submitted by subcontractors evidencing that subcontractors maintain the required insurance coverage. County retains the right to obtain copies of evidence of subcontractor insurance coverage at any time.

9. INSURANCE COVERAGE REQUIREMENTS:

A. General Liability Insurance (written on Insurance Services Office ["ISO"] policy form "CG 00 01" or its equivalent) with limits of not less than the following:

General Aggregate: \$2 Million

Products/Completed Operations Aggregate: \$1 Million

Personal and Advertising Injury: \$1 Million

Each Occurrence: \$1 Million

B. Automobile Liability Insurance (written on ISO policy form "CA 00 01" or its equivalent) with a limit of liability of not less than \$1 Million for each accident. Such insurance shall include coverage for all "owned", "hired" and "non-owned" vehicles, or coverage for "any auto".

C. Workers Compensation and Employers' Liability insurance providing workers compensation benefits, as required by the Labor Code of the State of California or by any other state, and for which Contractor is responsible.

In all cases, the above insurance also shall include Employers' Liability coverage with limits of not less than the following:

Each Accident: \$1 Million

Disease - Policy Limit:\$1 Million

Disease - Each Employee:\$1 Million

D. Professional Liability Insurance covering liability arising from error, omission, negligent or wrongful act of Contractor, its officers or employees with limits of not less than \$1 Million per occurrence and \$3 Million aggregate. The coverage also shall provide an extended two (2) year reporting period commencing upon expiration or earlier termination or cancellation of this Agreement.

E. Crime Coverage: Insurance with limits in amounts not less than indicated below covering against loss of money, securities, or other property referred to in this Agreement, and naming the County as loss payee.

Employee Dishonesty: \$25,000

Forgery or Alteration: \$25,000

Theft, Disappearance and Destruction: \$25,000

10. DELEGATION AND ASSIGNMENT: Contractor shall not assign its rights or delegate its duties under this Agreement, or both, either in whole or in part, without the prior written consent of County, and any assignment or delegation which does not have such prior County consent shall be null and void. For purposes of this Paragraph, such County consent shall require a written amendment to this Agreement which is formally approved and executed by the parties. Any billings to County by any assignee or delegatee on any claim under this Agreement, in consequence of any such County consent, shall reduce dollar for dollar any claims which Contractor may have against County and shall be subject to set-off, recoupment or other reduction for any claim which Contractor may have against County, whether under this Agreement or otherwise.

11. SUBCONTRACTING:

A. For purposes of this Agreement, all subcontracts must first be approved in writing by Director. Contractor's written request to Director for approval to enter into a subcontract shall be made at least thirty (30) calendar days prior to the subcontractor's proposed effective date, and shall include:

(1) Identification of the proposed subcontractor, (who shall be licensed as appropriate for provision of subcontract services), and an explanation of why and how

the proposed subcontractor was selected, including the degree of competition involved.

(2) A detailed description of the services to be provided by the subcontract.

(3) The proposed subcontract amount and manner of compensation, if any, together with Contractor's cost or price analysis thereof.

(4) A copy of the proposed subcontract. (Any later modification of such subcontract shall take the form of a formally written subcontract amendment which also must be approved in writing by Director in the same manner as described above, before such amendment is effective.)

(5) Any other information and/or certification(s) requested by Director.

B. Director shall review Contractor's request to subcontract and shall determine, in his/her sole discretion, whether or not to consent to such a request on a case-by-case basis.

C. Subcontracts shall be made in the name of Contractor and shall not bind nor purport to bind County. The making of subcontracts hereunder shall not relieve Contractor of any requirement under this Agreement, including, but not limited to, the duty to properly supervise and coordinate the work of subcontractors. Further, Director's approval of any sub-

contract shall also not be construed to limit in any way, any of County's rights or remedies contained in this Agreement.

D. In the event that Director consents to any subcontracting, Contractor shall be solely liable and responsible for any and all payments or other compensation to all subcontractors, and their officers, employees, and agents.

E. In the event that Director consents to any subcontracting, such consent shall be subject to County's right to terminate, in whole or in part, any subcontract at any time upon written notice to Contractor when such action is deemed by County to be in its best interest. County shall not be liable or responsible in any way to Contractor, or any subcontractor, or to any officers, employees, or agents, of Contractor, or any subcontractor, for any liability, damages, costs, or expenses, arising from or related to County's exercising of such a right.

F. Subcontracts shall contain the following provision: "This contract is a subcontract under the terms of a prime contract with the County of Los Angeles and shall be subject to all of the provisions of such prime contract." Further, Contractor shall also reflect as subcontractor requirements in the subcontract form all of the requirements of Paragraphs 7, 8, 9, 12, 15, and 16, of the body of this Agreement, and,

all of the provisions of the Additional Provisions attachment.

Contractor shall deliver to Director a fully executed copy of each subcontract entered into by Contractor, as it pertains to the provision of services under this Agreement, on or immediately after the effective date of the subcontract, but in no event, later than the date any services are to be performed under the subcontract.

G. Director is hereby authorized to act for and on the behalf of County pursuant to this Paragraph, including but not limited to, consenting to any subcontracting.

12. COMPLIANCE WITH APPLICABLE LAW:

A. Contractor shall comply with the requirements of all federal, State, and local laws, ordinances, regulations, rules, guidelines, and directives, applicable to its performance hereunder. To the extent there is any conflict between federal and State or local laws, the former shall prevail.

Any reference to a specific statute, regulation, or any other document not prepared by County is deemed to include a reference to any amendment thereto as of the effective date of such amendment; further, this Agreement shall be interpreted and the parties' duties and obligations under this Agreement shall be consistent with any amendment to any

applicable statute, regulation or other document not prepared by County which occurs after the effective date of the Agreement.

B. Contractor shall indemnify and hold harmless County from and against any and all loss, damage, liability, or expense resulting from any violation on the part of Contractor, its officers, employees, or agents, of such federal, State, or local laws, regulations, guidelines, or directives.

13. ADDITIONAL PROVISIONS: Attached hereto and incorporated herein by reference, is a document labeled Additional Provisions, of which the terms and conditions therein contained are part of this Agreement.

14. CONSTRUCTION: To the extent there are any rights, duties, obligations, or responsibilities enumerated in the recitals or otherwise in this Agreement, they shall be deemed a part of the operative provisions of this Agreement and are fully binding upon the parties.

15. CONFLICT OF TERMS: To the extent that there exists any conflict or inconsistency between the language of this Agreement (including its Additional Provisions), and that of any Exhibit(s), Attachment(s), and any other documents incorporated herein by reference, the language found within this Agreement shall govern and prevail.

16. ALTERATION OF TERMS: The body of this Agreement (including its Additional Provisions) and any Exhibit(s), and/or Attachment(s) attached hereto, fully expresses all understandings of the parties concerning all matters covered and shall constitute the total Agreement. No addition to, or alteration of, the terms of this Agreement, whether by written or verbal understanding of the parties, their officers, employees or agents, shall be valid and effective unless made in the form of a written amendment to this Agreement which is formally approved and executed by the parties in the same manner as this Agreement.

17. CONTRACTOR'S OFFICES: Contractor's office is located at 125 S. Vermont Avenue, P.O. Box 74929, Los Angeles, California 90004. Contractor's business telephone number is (213) 387-6181 and facsimile/FAX number is (213) 739-7630, and electronic mail ("e-mail") address is acadena@uscbinc.com. Contractor shall notify County, in writing, of any changes made to its business address, business telephone number, facsimile/FAX number, and/or e-mail address as listed herein, or any other business address, business telephone number, facsimile/FAX number, and/or e-mail address used in the provision of services herein, at least ten (10) calendar days prior to the effective date(s) thereof.

18. NOTICES: Notices hereunder shall be in writing and may either be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, attention to the

parties at the addresses listed below. Director is authorized to execute all notices or demands which are required or permitted by County under this Agreement. Addresses and parties to be notified may be changed by providing at least ten (10) business days prior written notice to the other party.

A. Notices to County shall be addressed as follows:

- (1) Department of Health Services
Contracts and Grants Division
313 North Figueroa Street, Sixth Floor-East
Los Angeles, California 90012-2659

Attention: Division Chief

- (2) Department of Health Services
Revenue Services
313 North Figueroa Street, Room 527
Los Angeles, California 90012

Attention: Chief, Revenue Services

B. Notices to Contractor shall be addressed as follows:

USCB Incorporated
125 S. Vermont Avenue
P.O. Box 74929
Los Angeles, California 90004

Attention: Vice-President Health Services

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Agreement to be subscribed by its

/

/

/

Director, and Contractor has caused this Agreement to be
subscribed in its behalf by its duly authorized officer, the day,
month, and year first above written.

COUNTY OF LOS ANGELES

By _____
Bruce A. Chernof. M.D.
Acting Director and Chief
Medical Officer

USCB INCORPORATED
Contractor

By _____
Signature

Print Name

Title _____
(AFFIX CORPORATE SEAL)

APPROVED AS TO FORM
BY THE OFFICE OF THE COUNTY COUNSEL
RAYMOND G. FORTNER
COUNTY COUNSEL

APPROVED AS TO CONTRACT
ADMINISTRATION:

Department of Health Services

By _____
Chief, Contracts and Grants
Division

JR-IFB-Cls.Feb.06

ADDITIONAL PROVISIONS

USCB INCORPORATED

DELINQUENT PATIENT ACCOUNT COLLECTION LETTER SERVICES AGREEMENT

TABLE OF CONTENTS

Paragraph No.	Title	Page (AP) No.
1.	ADMINISTRATION	1
2.	FORM OF BUSINESS ORGANIZATION AND FISCAL DISCLOSURE	1
3.	NONDISCRIMINATION IN SERVICES	3
4.	NONDISCRIMINATION IN EMPLOYMENT	5
5.	FAIR LABOR STANDARDS ACT	8
6.	EMPLOYMENT ELIGIBILITY VERIFICATION	8
7.	CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM	9
8.	STAFF PERFORMANCE OF SERVICES WHILE UNDER THE INFLUENCE	10
9.	UNLAWFUL SOLICITATION	10
10.	RECORDS AND AUDITS	11
11.	REPORTS	16
12.	CONFIDENTIALITY	16
13.	CONTRACTOR'S OBLIGATIONS AS AN OTHER ENTITY UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA")	17
14.	COMPLIANCE WITH JURY SERVICE PROGRAM	31
15.	LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES	34
16.	INDEPENDENT CONTRACTOR STATUS	35

Paragraph No.	Title	Page (AP) No.
17.	REQUIREMENT TO NOTIFY EMPLOYEES ABOUT FEDERAL EARNED INCOME CREDIT ("EIC")	36
18.	CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM	36
19.	SAFELY SURRENDERED BABY LAW	38
20.	CONSIDERATION OF COUNTY'S DEPARTMENT OF SOCIAL SERVICES ("DPSS") GREATER AVENUES FOR INDEPENDENCE ("GAIN") PROGRAM OR GENERAL RELIEF OPPORTUNITY FOR WORK ("GROW") PARTICIPANTS FOR EMPLOYMENT	39
21.	COUNTY EMPLOYEE'S RIGHT OF FIRST REFUSAL AND CONTRACTOR'S OFFERS OF EMPLOYMENT	39
22.	NO INTENT TO CREATE A THIRD PARTY BENEFICIARY CONTRACT	40
23.	SERVICE DELIVERY SITE - MAINTENANCE STANDARDS	40
24.	DAMAGE TO COUNTY FACILITIES, BUILDINGS OR GROUNDS	41
25.	USE OF RECYCLED - CONTENT PAPER	41
26.	NOTICE OF DELAYS	42
27.	RESTRICTIONS ON LOBBYING	42
28.	CONFLICT OF INTEREST	43
29.	COUNTY'S QUALITY ASSURANCE PLAN	44
30.	TERMINATION FOR INSOLVENCY, DEFAULT, GRATUITIES, AND/OR IMPROPER CONSIDERATIONS AND CONVENIENCE	45
31.	CONTRACTOR RESPONSIBILITY AND DEBARMENT	50
32.	SOLICITATION OF BIDS OR PROPOSALS	54
33.	GOVERNING LAWS, JURISDICTION, AND VENUE	54
34.	WAIVER	55
35.	SEVERABILITY	55

ADDITIONAL PROVISIONS

USCB INCORPORATED

DELINQUENT ACCOUNT COLLECTION AGENCY SERVICES AGREEMENT

1. ADMINISTRATION: Director shall have the authority to administer this Agreement on behalf of County. Contractor agrees to extend to Director, or to authorized federal, State, County, and local governmental representatives, the right to review and monitor Contractor's programs, policies, procedures, and financial and/or other records, and to inspect its business offices, facilities, and/or County work site areas, for contractual compliance at any reasonable time.

2. FORM OF BUSINESS ORGANIZATION AND FISCAL DISCLOSURE:

A. Form of Business Organization: Contractor shall prepare and submit to Director upon request, a statement executed by Contractor's duly constituted officers or Board of Directors, containing the following information with supportive documentation:

(1) The form of Contractor's business organization, i.e., sole proprietorship, partnership, limited liability company ("LLC"), or corporation.

(2) Articles of Incorporation and By-Laws (or articles of organization, certificate of formation, certificate of registration, and operating agreement if Contractor's organization is a LLC).

(3) A detailed statement indicating whether Contractor is totally or substantially owned by another business organization (i.e., another legal entity or parent corporation).

(4) Board Minutes, or other legal documentation, identifying who is authorized on behalf of Contractor to conduct business, make commitments, and enter into binding agreements with County. Such Board Minutes, or legal documentation, shall especially confirm that the person executing this Agreement for Contractor is an authorized agent who has actual authority to bind Contractor to each and every term, condition, and obligation set forth in this Agreement.

(5) A detailed statement indicating whether Contractor totally or partially owns any other business organization that will be providing services supplies, materials, or equipment to Contractor or in any manner does business with Contractor under this Agreement.

(6) If, during the term of this Agreement, the form of Contractor's business organization changes, or the ownership of Contractor changes, or Contractor's authorized person to conduct business, make commitments, and enter into binding agreements with County changes; or Contractor's ownership of other businesses dealings

with Contractor under this Agreement changes, Contractor shall notify Director in writing detailing such changes within thirty (30) calendar days prior to the effective date thereof.

B. Fiscal Disclosure: Contractor shall prepare and submit to Director, within ten (10) calendar days following execution of this Agreement, a statement executed by Contractor's duly constituted officers or Board of Directors, containing the following information:

(1) A detailed statement listing all sources of funding to Contractor, including but not limited to, private contributions, if any. The statement shall include the nature of the funding, services to be provided, total dollar amount, and period of time of such funding.

(2) If, during the term of this Agreement, the source(s) of Contractor's funding changes, Contractor shall promptly notify the Director in writing detailing such changes within thirty (30) calendar days prior to the effective date thereof.

3. NONDISCRIMINATION IN SERVICES: Contractor shall not discriminate in the provision of services hereunder because of race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political

affiliation, or condition of physical or mental handicap, or in any manner on the basis of a client's sexual orientation in accordance with requirements of federal and State laws. For the purpose of this Paragraph, discrimination in the provision of services may include, but is not limited to, the following: denying any person any service or benefit or the availability of a facility; providing any service or benefit to any person which is not equivalent, or is provided in a non-equivalent manner or at a non-equivalent time, from that provided to others; subjecting any person to segregation or separate treatment in any manner related to the receipt of any service; restricting any person in any way in the enjoyment of any advantage or privilege enjoyed by others receiving any service or benefit; and treating any person differently from others in determining admission, enrollment quota, eligibility, membership, or any other requirements or conditions which persons must meet in order to be provided any service or benefit. Contractor shall take affirmative action to ensure that intended beneficiaries of this Agreement are provided services without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation.

In addition, Contractor's facility access for the handicapped must fully comply with section 504 of the federal

Rehabilitation Act of 1973 and Title III of the federal Americans with Disabilities Act of 1990.

4. NONDISCRIMINATION IN EMPLOYMENT:

A. Contractor certifies and agrees, pursuant to the federal Rehabilitation Act of 1973, the federal Americans with Disabilities Act of 1990, and all other federal and State laws, as they now exist or may hereafter be amended, that it, its affiliates, subsidiaries, or holding companies, will not discriminate against any employee or applicant for employment because of race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation.

Contractor shall take affirmative action to ensure that qualified applicants are employed, and that employees are treated during employment, without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation, in accordance with federal and State laws. Such action shall include, but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation,

and selection for training, including apprenticeship.

Contractor shall post in conspicuous places in each of Contractor's facilities providing services hereunder, positions available and open to employees and applicants for employment, and notices setting forth the provisions of this Paragraph.

B. Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants shall receive consideration for employment without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status, political affiliation, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

C. Contractor shall send to each labor union or representative of workers with which it has a collective bargaining agreement, or other contract of understanding, a notice advising the labor union or workers' representative of Contractor's commitments under this Paragraph.

D. Contractor certifies and agrees that it shall deal with its subcontractor, bidders, or vendors without regard to race, color, religion, national origin, ethnic group identification, ancestry, sex, age, marital status,

political affiliation, condition of physical or mental handicap, or sexual orientation, in accordance with requirements of federal and State laws.

E. Contractor shall allow federal, State, and County representatives, duly authorized by Director, access to its employment records during regular business hours in order to verify compliance with the anti-discrimination provisions of this Paragraph. Contractor shall provide such other information and records as such representatives may require in order to verify compliance with the anti-discrimination provisions of this Paragraph.

F. If County finds that any of the provisions of this Paragraph have been violated, the same shall constitute a material breach of Agreement upon which County may determine to cancel, terminate, or suspend, this Agreement. While County reserves the right to determine independently that the anti-discrimination provisions of this Agreement have been violated, in addition, a determination by the California Fair Employment Practices Commission or the federal Equal Employment Opportunity Commission that Contractor has violated federal or State anti-discrimination laws shall constitute a finding by County that Contractor has violated the anti-discrimination provision of this Agreement.

G. The parties agree that in the event Contractor violates any of the anti-discrimination provisions of this Agreement, County shall be entitled, at its option, to the sum of Five Hundred Dollars (\$500) pursuant to California Civil Code section 1671 as liquidated damages in lieu of canceling, terminating, or suspending this Agreement.

5. FAIR LABOR STANDARDS ACT: Contractor shall comply with all applicable provisions of the federal Fair Labor Standards Act, and shall indemnify, defend, and hold harmless County, its officers, employees, and agents from any and all liability including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law including, but not limited to, the federal Fair Labor Standards Act for services performed by Contractor's employees for which County may be found jointly or solely liable.

6. EMPLOYMENT ELIGIBILITY VERIFICATION: Contractor warrants that it fully complies with all federal statutes and regulations regarding employment of aliens and others, and that all its employees performing services hereunder meet the citizenship or alien status requirements contained in federal statutes and regulations. Contractor shall obtain, from all covered employees performing services hereunder, all verification

and other documentation of employment eligibility status required by federal statutes and regulations, as they currently exist and as they may be hereafter amended. Contractor shall retain such documentation for all covered employees for the period prescribed by law. Contractor shall indemnify, defend and hold harmless County, its officers, and employees from employer sanctions and any other liability which may be assessed against Contractor or County in connection with any alleged violation of federal statutes or regulations pertaining to the eligibility for employment of persons performing services under this Agreement.

7. CONTRACTOR'S EXCLUSION FROM PARTICIPATION IN A FEDERALLY FUNDED PROGRAM: Contractor hereby warrants that neither it nor any of its staff members is restricted or excluded from providing services under any health care program funded by the federal government, directly or indirectly, in whole or in part, and that Contractor will notify Director in writing, within thirty (30) calendar days, of: (1) any event that would require Contractor or a staff member's mandatory exclusion from participation in a federally funded health care program; and (2) any exclusionary action taken by any agency of the federal government against Contractor or one or more staff members barring it or the staff members from participation in a federally funded health care program, whether such bar is direct or indirect, or whether such bar is in whole or in part.

Contractor shall indemnify and hold County harmless against any and all loss or damage County may suffer arising from any federal exclusion of Contractor or its staff members from such participation in a federally funded health care program.

Failure by Contractor to meet the requirements of this Paragraph shall constitute a material breach of contract upon which County may immediately terminate or suspend this Agreement.

8. STAFF PERFORMANCE OF SERVICES WHILE UNDER THE INFLUENCE:

Contractor shall ensure that no employee or other person under Contractor's control, performs services hereunder while under the influence of any alcoholic beverage, medication, narcotic, or other substance that might impair his/her physical or mental performance.

9. UNLAWFUL SOLICITATION: Contractor shall inform all of its officers and employees performing services hereunder of the provisions of Article 9 of Chapter 4 of Division 3 (commencing with section 6150) of Business and Professions Code of the State of California (i.e., State Bar Act provisions regarding unlawful solicitation as a runner or capper for attorneys) and shall take positive and affirmative steps in its performance hereunder to ensure that there is no violation of said provisions by its officers and employees. Contractor agrees to utilize the attorney referral service of all those bar associations within Los Angeles County that have such a service.

10. RECORDS AND AUDITS:

A. Service Records: Contractor shall maintain, and provide upon request by County, accurate and complete records of its activities and operations as they relate to the provision of services, hereunder.

B. Financial Records: Contractor shall prepare and maintain on a current basis, complete financial records in accordance with generally accepted accounting principles and also in accordance with any additional accounting principles and procedures, and standards, which may from time to time be promulgated by Director. All such records shall be sufficient to substantiate all charges billed to County in the performance of this Agreement. Further, all financial records of Contractor pertaining to this Agreement, including accurate books and records of accounts of its costs and operating expenses, and all records of services (including personnel provided), as well as other financial records pertaining to this Agreement, shall be retained by Contractor for a minimum period of five (5) years following the expiration or prior termination of this Agreement. During such five (5) year period, as well as during the term of this Agreement, all records pertaining to this Agreement, or true and correct copies thereof, including but not limited to, those records described above, shall either: (1)

be retained by Contractor, accessible for review by County representatives at a location in Los Angeles County, or (2) if retained by Contractor at a location outside of Los Angeles County, moved from such a location, to a location within Los Angeles County for review, upon Director's request, and made available during County's normal business hours, within ten (10) calendar days, to representatives of County, or federal and State governments, for purposes of inspection and audit. In the event such records are located outside Los Angeles County and Contractor is unable to move such records to Los Angeles County, then Contractor shall permit such inspection or audit to take place at an agreed to outside location, and Contractor shall pay County for travel, per diem, and other costs related to such inspection and audit.

Contractor shall further agree to provide such records, when possible, immediately to County by facsimile/FAX, or through the Internet (i.e., electronic mail ["e-mail"]), upon Director's request. Director's request shall include appropriate County facsimile/FAX number(s) and/or e-mail address(es) for Contractor to provide such records to County. In any event, Contractor shall agree to make available the original documents of such FAX and e-mail

records when requested by Director for review as described hereinabove.

C. Federal Access to Records: If, and to the extent that, section 1861 (v) (1) (I) of the Social Security Act [42 United States Code ("U.S.C.") section 1395x (v) (1) (I)] is applicable, Contractor agrees that for a period of five (5) years following the furnishing of services under this Agreement, Contractor shall maintain and make available, upon written request, to the Secretary of the United States Department of Health and Human Services or the Comptroller General of the United States, or to any of their duly authorized representatives, this Agreement, books, documents, and records of Contractor which are necessary to verify the nature and extent of the cost of services provided hereunder. Furthermore, if Contractor carries out any of the services provided hereunder through any subcontract with a value or cost of Ten Thousand Dollars (\$10,000) or more over a twelve (12) month period with a related organization (as that term is defined under federal law), Contractor agrees that each such subcontract shall provide for such access to the sub-contract, books, documents and records of the subcontractor.

D. County To Be Provided Audit Report(s): In the event that an audit is conducted of Contractor specifically

regarding this Agreement by any federal or State auditor, or any auditor or accountant employed by Contractor or otherwise, Contractor shall file a copy of each such audit report with Director and County's Auditor-Controller within thirty (30) calendar days of Contractor's receipt thereof, unless otherwise provided under this Agreement, or under applicable federal or State regulations. To the extent permitted by law, County shall maintain the confidentiality of such audit report(s). Failure of Contractor to comply with these terms shall constitute a material breach of this Agreement upon which County may cancel, terminate, or suspend this Agreement.

E. Audit/Compliance Review: In the event County representatives conduct an audit/compliance review of Contractor, Contractor shall fully cooperate with County's representatives. Contractor shall allow County representatives access to all records of services rendered and all financial records and reports pertaining to this Agreement and shall allow photocopies to be made of these documents utilizing Contractor's photocopier, for which County shall reimburse Contractor its customary charge for record copying services, if requested. Director shall provide Contractor with at least ten (10) working days prior written notice of

any audit/compliance review, unless otherwise waived by Contractor.

County may conduct a statistical sample audit/compliance review of all claims paid by County during a specified period. The sample shall be determined in accordance with generally accepted auditing standards. An exit conference shall be held following the performance of such audit/compliance review at which time the results shall be discussed with Contractor. Contractor shall be provided with a copy of any written evaluation reports.

Contractor shall have the opportunity to review County's findings on Contractor, and Contractor shall have thirty (30) calendar days after receipt of County's audit/compliance review results to provide documentation to County representatives to resolve the audit exceptions. If, at the end of the thirty (30) calendar day period, there remains audit exceptions which have not been resolved to the satisfaction of County's representatives, then the exception rate found in the audit, or sample, shall be applied to the total County payment made to Contractor for all claims paid during the audit/compliance review period to determine Contractor's liability to County.

F. County Audit Settlements: If, at any time during the term of this Agreement or at any time within five (5)

years after the expiration or earlier termination of this Agreement, authorized representatives of County conduct an audit of Contractor regarding the services provided to County hereunder and if such audit finds that County's dollar liability for such services is less than payments made by County to Contractor, then Contractor agrees that the difference shall be either: (1) repaid forthwith by Contractor to County by cash payment, or (2) at Director's option, deducted from any further amount due Contractor from County. If such audit finds that County's dollar liability for services provided hereunder is more than payments made by County to Contractor, then the difference shall be paid forthwith to Contractor by County by cash payment.

11. REPORTS: Contractor shall make reports as required by County, or DHS, concerning Contractor's activities and operations as they relate to this Agreement and the provision of services hereunder. In no event, however may County, or DHS, require such reports unless Director has provided Contractor with at least thirty (30) calendar days' prior written notification thereof. Director's notification shall provide Contractor with a written explanation of the procedures for reporting the information required.

12. CONFIDENTIALITY: To the extent that Contractor may gain access hereunder to County patient records and information,

Contractor shall maintain the confidentiality of such records and information from third parties, including but not limited to, billings and County records, in accordance with all applicable federal, State, and local laws, ordinances, rules, regulations, and directives relating to confidentiality. Contractor shall inform all its officers, employees, agents, subcontractors, and others providing services hereunder of this confidentiality provision requirement. Contractor shall indemnify and hold harmless County, its officers, employees, agents, and subcontractors, from and against any and all loss, damage, liability, and expense arising out of any disclosure of patient records and information by Contractor, its officers, employees, agents, subcontractors, and others providing services hereunder.

13. CONTRACTOR'S OBLIGATION AS A BUSINESS ASSOCIATE UNDER THE HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996 ("HIPAA"): Under this Agreement, Contractor ("Business Associate") provides services ("Services") to County ("Covered Entity") and Business Associate receives, has access to or creates Protected Health Information and/or Electronic Protected Health Information in order to provide those services.

Covered Entity is subject to the Administrative Simplification requirements of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and regulations promulgated thereunder, including the Standards for Privacy of

Individually Identifiable Health Information ("Privacy Regulations") and the Health Insurance Reform: Security Standards (the "Security Regulations") at 45 Code of Federal Regulations Parts 160 and 164 (together, the "Privacy and Security Regulations").

The Privacy and Security Regulations require Covered Entity to enter into a contract with Business Associate in order to mandate certain protections for the privacy and security of Protected Health Information, and those Regulations prohibit the disclosure to or use of Protected Health Information by Business Associate if such a contract is not in place;

Therefore, the parties agree as follows:

A. DEFINITIONS

(1) "Disclose" and "Disclosure" mean, with respect to Protected Health Information, the release, transfer, provision of access to, or divulging in any other manner of Protected Health Information outside Business Associate's internal operations or to other than its employees.

(2) "Electronic Media" has the same meaning as the term "electronic media" in 45 C.F.R. § 160.103. Electronic media means (a) Electronic storage media including memory devices in computers (hard drives) and any removable/transportable digital memory medium, such

as magnetic tape or disk, optical disk, or digital memory card; or (b) Transmission media used to exchange information already in electronic storage media. Transmission media includes, for example, the internet (wide-open), extranet (using internet technology to link a business with information accessible only to collaborating parties), leased lines, dial-up lines, private networks, and the physical movement of removable/transportable electronic storage media. Certain transmissions, including of paper, via facsimile, and of voice, via telephone, are not considered to be transmissions via electronic media, because the information being exchanged did not exist in electronic form before the transmission. The term "Electronic Media" draws no distinction between internal and external data, at rest (that is, in storage) as well as during transmission.

(3) "Electronic Protected Health Information" has the same meaning as the term "electronic protected health information" in 45 C.F.R. § 160.103. Electronic Protected Health Information means protected health information that is (a) transmitted by electronic media; (b) maintained in electronic media.

(4) "Individual" means the person who is the

subject of Protected Health Information and shall include a person who qualifies as a personal representative in accordance with 45 C.F.R. § 164.502(g).

(5) "Protected Health Information" has the same meaning as the term "protected health information" in 45 C.F.R. § 164.501, limited to the information created or received by Business Associate from or on behalf of Covered Entity. Protected Health Information includes information that (a) relates to the past, present or future physical or mental health or condition of an Individual; the provision of health care to an Individual, or the past, present or future payment for the provision of health care to an Individual; (b) identifies the Individual (or for which there is a reasonable basis for believing that the information can be used to identify the Individual); and (c) is received by Business Associate from or on behalf of Covered Entity, or is created by Business Associate, or is made accessible to Business Associate by Covered Entity. "Protected Health Information" includes Electronic Health Information.

(6) "Required By Law" means a mandate contained in law that compels an entity to make a Use or Disclosure

of Protected Health Information and that is enforceable in a court of law. Required by law includes, but is not limited to, court orders and court-ordered warrants; subpoenas or summons issued by a court, grand jury, a governmental or tribal inspector general, or any administrative body authorized to require the production of information; a civil or an authorized investigative demand; Medicare conditions of participation with respect to health care providers participating in the program; and statutes or regulations that require the production of information, including statutes or regulations that require such information if payment is sought under a government program providing benefits.

(7) "Security Incident" means the attempted or successful unauthorized access, Use, Disclosure, modification, or destruction of information in, or interference with system operations of, an Information System which contains Electronic Protected Health Information. However, Security Incident does not include attempts to access an Information System when those attempts are not reasonably considered by Business Associate to constitute an actual threat to the Information System.

(8) "Services" has the same meaning as in the body of this Agreement.

(9) "Use" or "Uses" mean, with respect to Protected Health Information, the sharing, employment, application, utilization, examination, or analysis of such Information within Business Associate's internal operations.

(10) Terms used, but not otherwise defined, in this Agreement shall have the same meaning as those terms in the HIPAA Regulations.

B. OBLIGATIONS OF BUSINESS ASSOCIATE

(1) Permitted Uses and Disclosures of Protected Health Information: Business Associate:

a. Shall Use and Disclose Protected Health Information as necessary to perform the Services, and as provided in this Paragraph 13, Subparagraphs(s) B.(3), B.(4), B.(5), B.(6), B.(7), B(8), D.(3), and E.(2) of this Agreement.

b. Shall Disclose Protected Health Information to Covered Entity upon request;

c. May, as necessary for the proper management and administration of its business or to carry out its legal responsibilities:

i. Use Protected Health Information; and

ii. Disclose Protected Health Information
if the Disclosure is Required by Law.

Business Associate shall not Use or Disclose
Protected Health Information for any other purpose.

(2) Adequate Safeguards for Protected Health
Information: Business Associate: Shall implement and
maintain appropriate safeguards to prevent the Use or
Disclosure of Protected Health Information in any manner
other than as permitted by this Paragraph. Business
Associate agrees to limit the Use and Disclosure of
Protected Health Information to the minimum necessary in
accordance with the Privacy Regulation's minimum
necessary standard.

b. Effective as of April 20, 2005,
specifically as to Electronic Health Information,
shall implement and maintain administrative,
physical, and technical safeguards that reasonably
and appropriately protect the confidentiality,
integrity, and availability of Electronic Protected
Health Information.

3) Reporting Non-Permitted Use or Disclosure and
Security Incidents: Business Associate shall report to
Covered Entity each Use or Disclosure that is made by
Business Associate, its employees, representatives,

agents or subcontractors but is not specifically permitted by this Agreement, as well as, effective as of April 20, 2005, each Security Incident of which Business Associate becomes aware. The initial report shall be made by telephone call to the Departmental Privacy Officer, telephone number 1(800) 711-5366 within forty-eight (48) hours from the time the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident, followed by a full written report no later than ten (10) business days from the date the Business Associate becomes aware of the non-permitted Use or Disclosure or Security Incident to the Chief Privacy Officer at:

Chief Privacy Officer
Kenneth Hahn Hall of Administration
500 West Temple street, Suite 525
Los Angeles, California 90012

(4) Mitigation of Harmful Effect: Business Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Use or Disclosure of Protected Health Information by Business Associate in violation of the requirements of this Paragraph.

(5) Availability of Internal Practices, Books and Records to Government Agencies: Business Associate agrees to make its internal practices, books and records

relating to the Use and Disclosure of Protected Health Information available to the Secretary of the federal Department of Health and Human Services for purposes of determining Covered Entity's compliance with the Privacy and Security Regulations. Business Associate shall immediately notify Covered Entity of any requests made by the Secretary and provide Covered Entity with copies of any documents produced in response to such request.

(6) Access to Protected Health Information:

Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make the Protected Health Information specified by Covered Entity available to the Individual(s) identified by Covered Entity as being entitled to access and copy that Protected Health Information. Business Associate shall provide such access for inspection of that Protected Health Information within two (2) business days after receipt of request from Covered Entity. Business Associate shall provide copies of that Protected Health Information within five (5) business days after receipt of request from Covered Entity.

(7) Amendment of Protected Health Information:

Business Associate shall, to the extent Covered Entity determines that any Protected Health Information constitutes a "designated record set" as defined by 45 C.F.R. § 164.501, make any amendments to Protected Health Information that are requested by Covered Entity. Business Associate shall make such amendment within ten (10) business days after receipt of request from Covered Entity in order for Covered Entity to meet the requirements under 45 C.F.R. § 164.526.

(8) Accounting of Disclosures: Upon Covered Entity's request, Business Associate shall provide to Covered Entity an accounting of each Disclosure of Protected Health Information made by Business Associate or its employees, agents, representatives or subcontractors. However, Business Associate is not required to provide an accounting of Disclosures that are necessary to perform the Services because such Disclosures are for either payment or health care operations purposes, or both.)

Any accounting provided by Business Associate under this Subparagraph B.(8) shall include: (a) the date of the Disclosure; (b) the name, and address if known, of the entity or person who received the Protected Health Information; (c) a brief description of the Protected

Health Information disclosed; and (d) a brief statement of the purpose of the Disclosure. For each Disclosure that could require an accounting under this Subparagraph B.8, Business Associate shall document the information specified in (a) through (d), above, and shall securely maintain the information for six (6) years from the date of the Disclosure. Business Associate shall provide to Covered Entity, within ten (10) business days after receipt of request from Covered Entity, information collected in accordance with this Subparagraph B.8 to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of Protected Health Information in accordance with 45 C.F.R. § 164.528.

C. OBLIGATION OF COVERED ENTITY: Covered Entity shall notify Business Associate of any current or future restrictions or limitations on the use of Protected Health Information that would affect Business Associate's performance of the Services, and Business Associate shall thereafter restrict or limit its own uses and disclosures accordingly.

D. TERM AND TERMINATION:

(1) Term: The term of this Paragraph shall be the same as the term of this Agreement. Business

Associate's obligations under Subparagraphs B.(1) (as modified by Subparagraphs D.(2), B.(3), B.(4), B.(5), B.(6), B.(7), B.(8), D.(3), and E.(2) shall survive the termination or expiration of this Agreement.

(2) Termination for Cause: In addition to and notwithstanding the termination provisions set forth in this Agreement, upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:

a. Provide an opportunity for Business Associate to cure the breach or end the violation and terminate this Agreement if Business Associate does not cure the breach or end the violation within the time specified by Covered Entity;

b. Immediately terminate this Agreement if Business Associate has breached a material term of this Agreement and cure is not possible; or

c. If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary of the federal Department of Health and Human Services.

(3) Disposition of Protected Health Information Upon Termination or Expiration:

a. Except as provided in Sub-paragraph (b) of

this section, upon termination for any reason or expiration of this Agreement, Business Associate shall return or destroy all Protected Health Information received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to Protected Health Information that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the Protected Health Information.

b. In the event that Business Associate determines that returning or destroying the Protected Health Information is infeasible, Business Associate shall provide to Covered Entity notification of the conditions that make infeasible. If return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such Protected Health Information and limit further Uses and Disclosures of such Protected Health Information to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such Protected Health Information.

E. MISCELLANEOUS:

(1) No Third Party Beneficiaries: Nothing in this Paragraph shall confer upon any person other than the parties and their respective successors or assigns, any rights, remedies, obligations, or liabilities whatsoever.

(2) Use of Subcontractors and Agents: Business Associate shall require each of its agents and subcontractors that receive Protected Health Information from Business Associate, or create Protected Health Information for Business Associate, on behalf of Covered Entity, to execute a written agreement obligating the agent or subcontractor to comply with all the terms of this Paragraph.

(3) Relationship to Services Agreement Provisions: In the event that a provision of this Paragraph is contrary to another provision of the Agreement, the provision of this Paragraph shall control. Otherwise, this Paragraph shall be construed under, and in accordance with, the terms of this Agreement.

(4) Regulatory References: A reference in this Paragraph to a section in the Privacy or Security Regulations means the section as in effect or as amended.

(5) Interpretation: Any ambiguity in this Paragraph shall be resolved in favor of a meaning that permits Covered Entity to comply with the Privacy and Security Regulations.

(6) Amendment: The parties agree to take such action as is necessary to amend this Paragraph from time to time as is necessary for Covered Entity to comply with the requirements of the Privacy and Security Regulations.

14. COMPLIANCE WITH JURY SERVICE PROGRAM:

A. Jury Services Program: This Agreement is subject to the provisions of the County's ordinance entitled Contractor Employee Jury Service ("Jury Service Program") as codified in Sections 2.203.010 through 2.203.090 of the Los Angeles County Code.

B. Written Employee Jury Service Policy:

(1) Unless Contractor has demonstrated to County's satisfaction either that Contractor is not a "contractor" as defined under the Jury Services Program (Section 2.203.020 of the County Code) or that Contractor qualifies for an exception to the Jury Services Program (Section 2.203.070 of the County Code), Contractor shall have and adhere to a written policy that provides that its employees shall receive from

Contractor, on an annual basis, no less than five (5) days of regular pay for actual jury service served. Contractor's policy may further provide that employees deposit any fees received for such jury service with Contractor or that Contractor deduct from the employee's regular pay the fees received for jury service.

(2) For purpose of this Paragraph, and as set forth in the Jury Service Program provision of the County Code as described hereinabove: "Contractor" shall mean a person, partnership, corporation, or other entity, that has a contract with County, or a subcontract with a County contractor, and has received, or will receive, an aggregate sum of Fifty Thousand Dollars (\$50,000) or more in any twelve (12) month period under one (1) or more County contracts or subcontracts; "employee" shall mean any California resident who is a full-time employee of Contractor; and "full-time" shall mean forty (40) hours or more worked per week, or a lesser number of hours, if: 1) the lesser number is a recognized industry standard as determined by County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time.

Full-time employees providing short-term temporary services of ninety (90) days or less within a twelve

(12) month period are not considered full-time for purposes of the Jury Service Program. If Contractor uses any subcontractor to perform services for County under this Agreement, the subcontractor shall also be subject to the provisions of this Paragraph. The provisions of this Paragraph shall be inserted into any such subcontract agreement and a copy of the Jury Service Program shall be attached to the agreement.

(3) If Contractor is not required to comply with the Jury Service Program on the effective date of this Agreement, Contractor shall have a continuing obligation to review the applicability of its "exception status" from the Jury Services Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program's definition of "contractor", or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. County may also require, at any time during the Agreement term, and at its sole discretion, that Contractor demonstrate to County's satisfaction that Contractor either continues to remain outside of the Jury Service Program's definition of "contractor" and/or

that Contractor continues to qualify for an exception to the Jury Service Program.

(4) Contractor's violation of this Paragraph of the Agreement may constitute a material breach of this Agreement. In the event of such breach, County may, in its sole discretion, terminate this Agreement and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

15. LICENSES, PERMITS, REGISTRATIONS, ACCREDITATIONS, AND CERTIFICATES: Contractor shall obtain and maintain in effect during the term of this Agreement, all appropriate licenses, permits, registrations, accreditations, and certificates required by all applicable federal, State, and local laws, regulations, guidelines and directives, for the operation of its business and for the provisions of services hereunder. Contractor shall ensure that all of its officers, employees, and agents who perform services hereunder, obtain and maintain in effect during the term of this Agreement, all licenses, permits, registrations, accreditations, and certificates required by federal, State, and local laws, regulations, guidelines and directives, which are applicable to their performance hereunder. Upon Director's written request Contractor shall provide Director with a copy of each license, permit, registration, accreditation, and

certificate, as required by all applicable federal, State, and local laws, regulations, guidelines and directives, within ten (10) calendar days thereafter.

16. INDEPENDENT CONTRACTOR STATUS:

A. This Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of employee, agent, servant, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party shall not be, or be construed to be, employees or agents of the other party for any purpose whatsoever.

B. Contractor shall be solely liable and responsible for providing to, or on behalf of, its officers and employees all legally required employee benefits. County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, federal, State, and local taxes, or other compensation, benefits, or taxes to, or on behalf of, any personnel provided by Contractor.

C. Contractor understands and agrees that all persons furnishing services to County pursuant to this Agreement are, for purposes of workers' compensation liability, the sole employees of Contractor and not employees of County. Contractor shall bear the sole liability and responsibility

for furnishing workers' compensation benefits to any person for injuries arising from or connected with services performed by or on behalf of Contractor pursuant to this Agreement.

17. REQUIREMENT TO NOTIFY EMPLOYEES ABOUT FEDERAL EARNED INCOME CREDIT ("EIC"): Contractor shall notify its employees, and shall require that each of its subcontractors notify its employees, to inform them that they may be eligible for claiming federal EIC as allowed under the federal income tax laws. Such notification shall be provided in accordance with the requirements as set forth in the Department of Treasury Internal Revenue Service's ("IRS") Notice 1015; copies of which, are available from the IRS Forms Distribution Center, by calling 1-(800)-829-3676.

18. COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

A. CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM Contractor acknowledges that County has established a goal of ensuring that all individuals who benefit financially from County through County contracts are in compliance with their court ordered child, family, and spousal support obligations in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

As required by County's Child Support Compliance Program

(County Code Chapter 2.200) and without limiting Contractor's duty under this Agreement to comply with all applicable provisions of law, Contractor warrants that it is now in compliance and shall during the term of this Agreement maintain compliance with employment and wage reporting requirements as required by the federal Social Security Act (42 U.S.C. section 653a) and California Unemployment Insurance Code section 1088.55, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department ("CSSD") Notices of Wage and Earnings Assignment for Child, Family, or Spousal Support, pursuant to Code of Civil Procedure section 706.031 and Family Code section 5246(b).

B. TERMINATION FOR BREACH OF WARRANTY TO MAINTAIN COMPLIANCE WITH COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM:

Failure of Contractor to maintain compliance with the requirements set forth in the CONTRACTOR'S WARRANTY OF ADHERENCE TO COUNTY'S CHILD SUPPORT COMPLIANCE PROGRAM Paragraph immediately above, shall constitute a default by Contractor under this Agreement. Without limiting the rights and remedies available to County under any other provision of this Agreement, failure to cure such default within ninety (90) calendar days of written notice shall be grounds upon which County may terminate this contract

pursuant to the Termination for Default Paragraph of this Agreement and pursue debarment of Contractor, pursuant to County Code Chapter 2.202.

19. SAFELY SURRENDERED BABY LAW: In accordance with County's goal to encourage the safe surrender of an unwanted newborn(s) (i.e., a baby[ies] seventy-two [72] hours old or less) by a mother or person with lawful custody to a designated safe haven site (e.g., all hospitals with emergency rooms, County fire stations, County medical centers, etc.) without fear of litigation and to further ensure that no newborn baby is ever abandoned in Los Angeles County; Contractor shall agree to notify and provide to all of its officers, employees, and agents, information on the Safely Surrendered Baby Law (also known as the Newborn Abandonment Law or Safe Haven Law) and its implementation within Los Angeles County. Contractor shall request and obtain from Director information and notices for notifying its officers, employees, and agents, on County's implementation of the Safely Surrendered Baby Law, as it now exist or may hereafter be amended, from time-to-time, but no less than on an annual basis.

20. CONSIDERATION OF COUNTY'S DEPARTMENT OF PUBLIC SOCIAL SERVICES ("DPSS") GREATER AVENUES FOR INDEPENDENCE ("GAIN") PROGRAM OR GENERAL RELIEF OPPORTUNITY FOR WORK ("GROW") PARTICIPANTS FOR EMPLOYMENT: Should Contractor require additional or replacement personnel after the effective date of this Agreement,

Contractor shall give consideration for any such employment openings to participants in the County's DPSS GAIN or GROW program(s), who meet Contractor's minimum qualifications for the open position. For this purpose, consideration shall mean that Contractor will interview qualified candidates. County will refer GAIN/GROW participants by job category to the Contractor. In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

21. COUNTY EMPLOYEE'S RIGHT OF FIRST REFUSAL AND CONTRACTOR'S OFFERS OF EMPLOYMENT: To the degree permitted by Contractor's agreements with its collective bargaining units, Contractor shall give the right of first refusal for its employment openings at Contractor's facility to qualified County employees who are laid-off or who leave County employment in lieu of reduction under County's Civil Service Rule 19, and who are referred to Contractor by Director (including those on a County re-employment list). Such offers of employment shall be limited to vacancies in Contractor's staff needed to commence services under this Agreement, as well as, to vacancies that occur during the Agreement term. Such offers of employment shall be consistent with Contractor's current employment policies, and shall be made to any former or current County employee who has made application to Contractor, and is qualified for the

available position. Employment offers shall be at least under the same conditions and rates of compensations which apply to other persons who are employed or may be employed by Contractor. Former County employees who have been impacted by County's Civil Service Rule 19, and who are employed by Contractor shall not be discharged during the term of the Agreement except for cause, subject to Contractor's personnel policies and procedures, and agreement(s) with its collective bargaining units. Contractor shall also give first consideration to laid-off or reduced County employees if vacancies occur at Contractor's other service sites during the Agreement term.

22. NO INTENT TO CREATE A THIRD PARTY BENEFICIARY CONTRACT:

Notwithstanding any other provision of this Agreement, the parties do not in any way intend that any person shall acquire any rights as a third party beneficiary under this Agreement.

23. SERVICE DELIVERY SITE - MAINTENANCE STANDARDS:

Contractor shall assure that the location(s) (e.g., facility[ies]) where Contractor provides services under this Agreement, is/are operated at all times in accordance with all County and local community standards with regard to property maintenance and repair, graffiti abatement, refuse removal, fire safety, landscaping, and in full compliance with all applicable local laws, ordinances, and regulations relating to the property. County's periodic monitoring visits to Contractor's facility(ies)

shall include a review of compliance with the provisions of this Paragraph.

24. DAMAGE TO COUNTY BUILDINGS, FACILITIES, OR GROUNDS: Contractor shall repair, or cause to be repaired, at its own cost, any damage to County buildings, facilities, or grounds, caused by Contractor or any officer, employee, or agent of Contractor. Such repairs shall be made immediately after Contractor has become aware of such damage, but in no event, later than thirty (30) calendar days after the occurrence.

If Contractor fails to make timely repairs, County may make any necessary repairs on its own. All costs incurred by County for such repairs, as determine by Director, shall be repaid by Contractor upon demand.

25. USE OF RECYCLED - CONTENT PAPER: Consistent with County's Board of Supervisors policy to reduce the amount of solid waste deposited at County landfills, Contractor agrees to use recycled-content bond paper and paper products to the maximum extent possible in connection with services to be performed by Contractor under this Agreement.

26. NOTICE OF DELAYS: Except as otherwise provided under this Agreement, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this Agreement, that party shall within two

(2) calendar days, give notice thereof, including all relevant information with respect thereto, to the other party.

27. RESTRICTIONS ON LOBBYING:

A. Federal Certification and Disclosure Requirement:

If any federal monies are to be used to pay for Contractor's services under this Agreement, Contractor shall comply with all certification and disclosure requirements prescribed by section 319, Public Law 101-121 (31 U.S.C. section 1352) and any implementing regulations, and shall ensure that each of its subcontractors receiving funds provided under this Agreement also fully comply with all such certification and disclosure requirements.

B. County Lobbyists: Contractor and each County lobbyist or County lobbying firm as defined in Los Angeles County Code section 2.160.010, retained by Contractor, shall fully comply with the County Lobbyist Ordinance, Los Angeles County Code Chapter 2.160. Failure on the part of Contractor or any County lobbyist or County lobbying firm retained by Contractor to fully comply with the County Lobbyist Ordinance shall constitute a material breach of this Agreement upon which Director may suspend or County may immediately terminate this Agreement.

28. CONFLICT OF INTEREST:

A. No County officer or employee whose position in

County enables such officer or employee to influence the award or administration of this Agreement or any competing agreement, and no spouse or economic dependent of such officer or employee shall be employed in any capacity by Contractor herein, or have any other direct or indirect financial interest in this Agreement. No officer, employee, agent, or subcontractor of Contractor who may financially benefit from the provision of services hereunder shall in any way participate in County's approval process for the award of this Agreement or any competing agreement, or ongoing evaluation of such services, under this Agreement or any competing agreement, or in any way attempt to unlawfully influence County's approval or ongoing evaluation of such services.

B. Contractor shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this Agreement. Contractor warrants that it is not now aware of any facts which create a conflict of interest. If Contractor hereafter becomes aware of any facts which might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to Director. Full written disclosure shall include, without limitation, identification of all persons involved, or

implicated, and a complete description of all relevant circumstances.

29. COUNTY'S QUALITY ASSURANCE PLAN: County or its agent(s), will be allowed to evaluate Contractor's performance (including the performance of any party providing services on behalf of Contractor) under this Agreement as may be required from time-to-time for quality assurance purposes, but not less than on an annual basis. Such an evaluation will include, but not be limited to, assessing Contractor's compliance with all Agreement terms and performance standards. Any Contractor deficiencies or actions which are found to be in non-compliance with such terms and performance standards which Director determines are severe, or continuing, and that may place the performance of this Agreement in jeopardy if not corrected, will be immediately reported to County's Board of Supervisors by Director. The report will include a description of the quality improvement and/or corrective action measures to be taken by County and Contractor. If Contractor's performance does not improve after the initiation of such quality improvement and/or corrective actions, then County may impose other penalties as may be specified in this Agreement, or may terminate this Agreement immediately.

30. TERMINATION FOR INSOLVENCY, DEFAULT, GRATUITIES, AND/OR IMPROPER CONSIDERATIONS, AND CONVENIENCE:

A. Termination for Insolvency: County may terminate this Agreement immediately for default in the event of the occurrence of any of the following:

(1) Insolvency of Contractor. Contractor shall be deemed to be insolvent if it has ceased to pay its debts at least sixty (60) calendar days in the ordinary course of business or cannot pay its debts as they become due, whether Contractor has committed an act of bankruptcy or not, and whether Contractor is insolvent within the meaning of the federal Bankruptcy Law or not;

(2) The filing of a voluntary or involuntary petition under the federal Bankruptcy Law;

(3) The appointment of a Receiver or Trustee for Contractor;

(4) The execution by Contractor of an assignment for the benefit of creditors.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

B. Termination For Default: County may, by written notice of default to Contractor, terminate this Agreement immediately in any one of the following circumstances:

(1) If, as determined in the sole judgment of

County, Contractor fails to perform any services within the times specified in this Agreement or any extension thereof as County may authorize in writing; or

(2) If, as determined in the sole judgment of County, Contractor fails to perform and/or comply with any of the other provisions of this Agreement, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and in either of these two (2) circumstances, does not cure such failure within a period of five (5) calendar days (or such longer period as County may authorize in writing) after receipt of notice from County specifying such failure.

In the event that County terminates this Agreement as provided hereinabove, County may procure, upon such terms and in such manner as County may deem appropriate, services similar to those so terminated, and Contractor shall be liable to County for any reasonable excess costs incurred by County for such similar services.

The rights and remedies of County provided in this Paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

C. Termination For Gratuities and/or Improper

Consideration: County may, by written notice to Contractor, immediately terminate Contractor's right to proceed under this Agreement, if it is found that gratuities or consideration in any form, were offered or given by Contractor, either directly or through an intermediary, to any County officer, employee, or agent, with the intent of securing the Agreement or securing favorable treatment with respect to the award, amendment, or extension of the Agreement, or making of any determinations with respect to the Contractor's performance pursuant to the Agreement. In the event of such termination, County shall be entitled to pursue the same remedies against Contractor as it could in the event of default by Contractor.

Contractor shall immediately report any attempt by a County officer, employee, or agent, to solicit such improper gratuity or consideration. The report shall be made either to the County manager charged with the supervision of the employee or agent, or to the County Auditor-Controller's Employee Fraud Hotline at (213) 974-0914 or (800) 544-6861.

(Among other items, such improper gratuities and considerations may take the form of cash, discounts, services, the provision of travel or entertainment, or other tangible gifts.)

D. Termination For Convenience: The performance of services under this Agreement may be terminated, with or without cause, in whole or in part, from time to time when such action is deemed by County to be in its best interest. Termination of services hereunder shall be effected by delivery to Contractor of a ten (10) calendar day advance Notice of Termination specifying the extent to which performance of services under this Agreement is terminated and the date upon which such termination becomes effective.

After receipt of a Notice of Termination and except as otherwise directed by County, Contractor shall:

(1) Stop services under this Agreement on the date and to the extent specified in such Notice of Termination; and

(2) Complete performance of such part of the services as shall not have been terminated by such Notice of Termination.

Further, after receipt of a Notice of Termination, Contractor shall submit to County, in the form and with the certifications as may be prescribed by County, its termination claim and invoice. Such claim and invoice shall be submitted promptly, but not later than sixty (60) calendar days from the effective date of termination. Upon failure of Contractor to submit its termination claim and

invoice within the time allowed, County may determine on the basis of information available to County, the amount, if any, due to Contractor in respect to the termination, and such determination shall be final. After such determination is made, County shall pay Contractor the amount so determined.

Contractor for a period of five (5) years after final settlement under this Agreement, in accordance with Paragraph 10, Records and Audits, herein, retain and make available all its books, documents, records, or other evidence, bearing on the costs and expenses of Contractor under this Agreement in respect to the termination of services hereunder.

31. CONTRACTOR RESPONSIBILITY AND DEBARMENT:

A. A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity, and experience to satisfactorily perform the contract. It is the County's policy to conduct business only with responsible contractors.

B. The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other

remedies provided in the contract, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years, but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

C. The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: (1) violated a term of a contract with the County or a nonprofit corporation created by the County; (2) committed an act or omission which negatively reflects on the Contractor's quality, fitness, or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same; (3) committed an act or offense which indicates a lack of business integrity or business honesty, or (4) made or submitted a false claim against the County or any other public entity.

D. If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled

date for a debarment hearing before the Contractor Hearing Board.

E. The Contractor Hearing Board will conduct a hearing where, evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

F. After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Hearing Board.

G. If a Contractor has been debarred for a period longer than five years, that Contractor may, after the debarment has been in effect for at least five years, submit a written

request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: (1) elimination of the grounds for which the debarment was imposed; (2) a bona fide change in ownership or management; (3) material evidence discovered after debarment was imposed; or (4) any other reason that is in the best interest of the County.

H. The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five years; (2) the debarment has been in effect for at least five years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant

to the same procedures as for a debarment hearing. The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

I. These terms shall also apply to subcontractors of County Contractors.

32. SOLICITATION OF BIDS OR PROPOSALS: Contractor acknowledges that County, prior to expiration or earlier termination of this Agreement, may exercise its right to invite bids (e.g., invitation for bids ["IFB"]), request proposals (e.g., request for proposals ["RFP"]), or do other similar competitive selection procedures, in order to select providers for the continued provision of the services delivered or contemplated under this Agreement. County and/or DHS shall make the determination to solicit bids or proposals in accordance with applicable County and DHS policies.

Contractor acknowledges that County may enter into a contract for the future provision of services, based upon the bids or proposals received, with a provider or providers other than Contractor. Further, Contractor acknowledges that it

obtains no greater right to be selected through any future bids, proposals, or other competitive selection procedure, by virtue of its present status as Contractor.

33. GOVERNING LAW, JURISDICTION, AND VENUE: This Agreement shall be governed by, and construed in accordance with, the laws of the State of California. Contractor agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this Agreement and further agrees and consents that the venue of any action (other than an appeal or an enforcement of a judgement) brought by Contractor, on Contractor's behalf, or on the behalf of any subcontractor, which arises from this Agreement or is concerning or connected with services performed pursuant to this Agreement, shall be exclusively in the courts of the State of California located in Los Angeles County, California.

34. WAIVER: No waiver of any breach of any provision of this Agreement by County shall constitute a waiver of any other breach of such provision. Failure of County to enforce at any time, or from time-to-time, any provision of this Agreement shall not be construed as a waiver thereof. The remedies herein reserved shall be cumulative and additional to any other remedies in law or equity.

35. SEVERABILITY: If any provision of this Agreement or the application thereof to any person or circumstance is held

invalid, the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected thereby.

JR/jr

USCB INCORPORATED
STATEMENT OF WORK

DELINQUENT PATIENT ACCOUNT COLLECTION LETTER SERVICES

1. GENERAL DESCRIPTION OF CONTRACTOR'S DUTIES: Contractor understands that DHS utilizes Collection Letter Services ("CLS") to collect for healthcare services rendered to the public through its network of medical centers/hospitals, comprehensive health centers, community health centers, and public health centers (i.e., collectively "County facilities"). Further, Contractor understands that typically, DHS may (1) refer patient accounts classified as "Self Pay" for CLS that are wholly unpaid and do not have third-party resources such as commercial insurance or Medi-Cal coverage, or (2) utilize CLS for the County's Consolidated Business Office ("CBO") initial collection efforts or other related collection efforts.

As such, Contractor's provision of CLS shall include, but not be limited to, issuing collection letters for County for DHS inpatient and/or outpatient Self-Pay classified accounts (or any other type of DHS account) referred to Contractor.

Contractor shall provide CLS as described herein to each of the County facilities identified in Exhibit B, County Facilities To Be Served. Primary responsibilities and/or services to be provided by contractor shall include, but not be limited to, the

following individual tasks and general work duties, procedures, and/or CLS to be performed by Contractor under this Agreement:

A. Contractor shall: (1) generate a progressive series of collection notices; (2) maintain accountability and reporting of account status to the applicable County facility, and (3) receive/process telephone inquiries from CHCs/HCs.

B. Contractor must be able to readily accept County's patient account data in either QuadraMed's Affinity, and/or McKesson softwares.

C. Contractor shall initiate collection notices activities by mailing a progressive series of three (3) written collection notices, which are to be mailed using the U.S. mail to patient's mailing address, with the contents of the collection letter (or other document) and timing (e.g. send out date) approved by Director prior to such mailing, for each account referred to Contractor. Contractor shall ensure the referring facility's telephone number is listed on all collection letter notices.

D. Contractor shall maintain an inventory system, in addition to any reports required herein, of patient's accounts referred for CLS that can be identified by patient's name and County facility.

E. In the event that a patient or a debtor disputes

any amount of the balance due on his/her patient's account or liability for payment, Contractor shall inform Director and shall immediately discontinue any CLS activities on disputed patient's account until directed by County to resume.

F. Contractor shall provide weekly and/or monthly reports as directed by Director, which reflects the CLS performed by Contractor under this Agreement by facility and total number of County facilities. Contractor shall further provide at no additional cost to the County, any customized reports related to this Agreement, in the formats and time frames as requested by Director, from time-to-time.

G. Contractor shall not cause any patient's name or account, or any debtor's name or account to be listed with any credit reporting service.

H. Contractor may be requested to generate facility specific self-pay notices (i.e., data mailers) for outstanding accounts. The data mailers will be printed on behalf of the referring facility and will contain, but not be limited to, County letterhead information, any customized messages, and County facility telephone number. Data mailers will not contain any references to the Contractor. The referring County facility will direct Contractor on the number of data mailers to be issued for each outstanding

self-pay account (i.e., one to three data mailers). The data mailer process will precede the CLS process.

Contractor must be able to provide this service. Contractor must provide a price for each data mailer sent out.

I. Contractor will be required to perform for the CHCs/HCs the handling of telephone inquiries and responding to any billing inquiries from the patients.

J. Contractor will be required to perform for the CHCs/HCs the receiving and processing of payments from the patients.

K. Contractor shall readily accept DHS referred and/or assigned account data in various formats as may be provided by DHS (i.e., electronic media, magnetic tape, hard copy, or other medium that may become available) which includes (1) loading/entering the files/data to Contractor's system; (2) providing DHS with an acknowledgment of receipt of the files/data in a DHS required format; (3) segregating all DHS accounts from all other contractor accounts; and (4) maintaining all necessary safeguards to ensure DHS account information is kept confidential. Furthermore, Contractor shall have the ability to post accurately any adjustments to the appropriate account for which DHS has deemed such adjustment(s) necessary.

L. Contractor shall have specific operational

capacities to include automated systems, media capabilities, adequate software programs, and additional sources of data to be used in addition to DHS provided data in order to provide the services described in this Agreement, which include production of management and production/operational reports and adequate tracking mechanisms required for such services.

2. CONTRACTOR PERSONNEL:

A. Contractor shall assign a Contract Manager to act as liaison for Contractor and who will have full authority to act on behalf of Contractor in all matters related to the daily operation of this Agreement. Contractor shall inform the DHS Contract Coordinator in writing of the name, address, telephone number, and electronic mail ("e-mail") address of the individual designated to act as Contract Manager, or any alternate, and provide a current copy of the person's resume at the time this Agreement is implemented and as changes occur during the term of this Agreement. Director shall have the right to approve the assignment or replacement of any Contract Manager or alternate recommended by Contractor. The Contract Manager or any alternate shall be available during normal business hours, 8:00 a.m. and 5:00 p.m., Monday through Friday, for telephone contact and to meet with designated County personnel to discuss the

operation of this Agreement. The Contract Manager shall meet with the DHS Contract Coordinator as often as may be necessary, to discuss Contractor's performance pursuant to this Agreement. A mutual effort will be made to promptly resolve any problems and performance deficiencies identified.

B. Contractor and Contractor's personnel shall work independently on designated assignments in accordance with the Statement of Work duties contained herein.

C. Notwithstanding any representations by County regarding the participation of County personnel under this Agreement, Contractor assumes sole responsibility for the timely completion of all activities assigned in this Agreement.

D. Contractor shall ensure that all of Contractor's personnel sign a CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT form prior to commencing services. and return the form to the Contract Coordinator within three (3) business days of assigning an employee to provide the services hereunder. Contractor shall maintain the signed original in accordance with the RECORDS AND AUDITS Paragraph of the ADDITIONAL PROVISIONS of this Agreement.

E. Contractor's personnel providing services hereunder shall at all times be employees of Contractor and as such,

Contractor shall be solely responsible for the hiring, suspending, disciplining or discharging of such employees when needed. DHS may refuse utilization of specific employees of Contractor for any reason, and in such event, such employee shall be immediately removed from services hereunder by Contractor upon the written request of the DHS Contract Coordinator, as described hereinbelow, and shall be immediately replaced by Contractor pursuant to the agency's internal policies.

3. COUNTY PERSONNEL: County does not anticipate assigning any County employee to assist Contractor on a full-time basis regarding services to be provided by Contractor. However, County personnel will be made available to Contractor at the discretion of Director to provide necessary input and assistance in order to answer questions and provide necessary liaison activities between Contractor and County facilities.

COUNTY FACILITIES TO BE SERVED

NORTH/EAST REGION	
Hospital(s)	
(1)	Los Angeles County+USC Medical Center 1200 North State Street Los Angeles, California 90033
Comprehensive Health Center(s)	
(2)	Edward R. Roybal Comprehensive Health Center 245 South Fetterly Avenue Los Angeles, California 90022
(3)	El Monte Comprehensive Health Center 10953 Ramona Boulevard El Monte, California 91731
(4)	H. Claude Hudson Comprehensive Health Center 2829 South Grand Avenue Los Angeles, California 90007
Health Center(s)	
(5)	Burke Health Center 2509 Pico Boulevard Santa Monica, California 90405
(6)	Central Health Center 241 North Figueroa Street Los Angeles, California 90012
(7)	Hollywood-Wilshire Health Center 5205 Melrose Avenue Los Angeles, California 90038
(8)	La Puente Health Center 15930 Central Avenue La Puente, California 91744
(9)	Monrovia Health Center 330 West Maple Avenue Monrovia, California 91016
(10)	Pomona Health Center 750 South Park Avenue Pomona, California 91767

(11)	Ruth Temple Health Center 3834 South Western Avenue Los Angeles, California 90062
(12)	Whittier Health Center 7643 South Painter Avenue Whittier, California 90602

COASTAL REGION	
Hospital(s)	
(1)	Harbor/UCLA Medical Center 1000 West Carson Street Torrance, California 90509
Comprehensive Health Center(s)	
(2)	Long Beach Comprehensive Health Center 1333 Chestnut Avenue Long Beach, California 90813
Health Center(s)	
(3)	Bellflower Health Center 10005 East Flower Street Bellflower, California 90706
(4)	Gardena School Based Clinic 1301 West 182nd Street Gardena, California 90248
(5)	Torrance Health Center 2300 Carson Street Torrance, California 90501
(6)	Wilmington Health Center 1325 Broad Avenue Wilmington, California 90744

SOUTHWEST REGION	
Hospital(s)	
(1)	Martin Luther King, Jr. Medical Center 12021 Wilmington Avenue Los Angeles, California 90059

Comprehensive Health Center(s)	
(2)	Hubert H. Humphrey Comprehensive Health Center 5850 South Main Street Los Angeles, California 90003
Health Center(s)	
(3)	Curtis R. Tucker Health Center 123 West Manchester Boulevard Inglewood, California 90301
(4)	Dollarhide Health Center 1108 N. Oleander Street Compton, California 90222
(5)	South Health Center 1522 East 102nd Street Los Angeles, California 90022

SAN FERNANDO VALLEY REGION	
Hospital(s)	
(1)	Olive View/UCLA Medical Center 14445 Olive View Drive Sylmar, California 91342
Comprehensive Health Center(s)	
(2)	Mid-Valley Comprehensive Health Center 7515 Van Nuys Boulevard Van Nuys, California 91405
Health Center(s)	
(3)	Glendale Health Center 501 North Glendale Avenue Glendale, California 91206
(4)	North Hollywood Health Center 5300 Tujunga Avenue North Hollywood, California 91601
(5)	Pacoima Health Center 13300 Van Nuys Boulevard Pacoima, California 91331

(6)	San Fernando Health Center 1212 Pico Street San Fernando, California 91340
(7)	Vaughn School Based Clinic 13330 Vaughn Street San Fernando, California 91340

ANTELOPE VALLEY REGION	
Multiservice Ambulatory Care Center	
(1)	High Desert Health System Multiservice Ambulatory Care Center (MACC) 44900 North 60th Street West Lancaster, California 93536
Health Center(s)	
(2)	Antelope Valley Health Center 335-B East Avenue K6 Lancaster, California 93535
Other Health Facilities (Health Centers)	
(3)	Lake Los Angeles Clinic 16921 East Avenue O, Suite G Palmdale, California 93550
(4)	Littlerock Clinic 8201 Pearblossom Highway Littlerock, California 93543
(5)	South Valley Health Center 38358 40 th Street East Palmdale, California 93551

OTHER	
Hospital(s)	
(1)	Rancho Los Amigos National Rehabilitation Center 7601 East Imperial Highway Downey, California 90242

SCHEDULE A

USCB INCORPORATED
COLLECTION LETTER SERVICES AGREEMENT
MARCH 1, 2006 THROUGH DECEMBER 31, 2010

BUDGET

County shall compensate Contractor for providing services hereunder at rates not to exceed the following:

- A. \$0.65 (Sixty Five Cents) for each data mailer requested by DHS facility.
- B. \$2.00 (Two Dollars) for each account, which shall consist of a series of three collection letters prepared and issued by Contractor.

Billings by Contractor to County shall identify the month, day, and year of billing, invoice reference number, any adjustment credited to each account with explanations, and beginning and ending invoice balances.

Billing shall be made and forwarded to County to the address provided by County facility requesting services. County shall pay Contractor within a reasonable time following receipt of this information.

CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT

PROJECT NAME _____

CONTRACTOR/EMPLOYER NAME _____

CONTRACT NUMBER _____

GENERAL INFORMATION:

Your employer referenced above has entered into a contract with the County of Los Angeles to provide certain services to the County. The County requires your signature on this Contractor Employee Acknowledgment and Confidentiality Agreement.

EMPLOYEE ACKNOWLEDGMENT:

I understand and agree that the Contractor referenced above is my sole employer for purposes of the above-referenced Contract. I understand and agree that I must rely exclusively upon my employer for payment of salary and any and all other benefits payable to me or on behalf by virtue of my performance of work under the above-referenced Contract.

I understand and agree that I am not an employee of the County of Los Angeles for any purpose whatsoever and that I do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the above-referenced Contract. I understand and agree that I do not have and will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT:

You may be involved with work pertaining to services provided by the County of Los Angeles and, if so, you may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, you may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records.

If you are to be involved in County work, the County must ensure that you, too, will protect the confidentiality of such data and information. Consequently, you must sign this agreement as a condition of your work to be provided by your employer for the County. Please read this agreement and take due time to consider it prior to signing.

CONTRACTOR EMPLOYEE ACKNOWLEDGMENT AND CONFIDENTIALITY AGREEMENT
(CONTINUED)

PROJECT NAME _____
CONTRACTOR/EMPLOYER NAME _____
CONTRACT NUMBER _____

I hereby agree that I will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the above-referenced Contract between my employer and the County of Los Angeles. I agree to forward all requests for the release of any data or information received by me to my immediate supervisor.

I agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, vendor proprietary information, and all other original materials produced, created, or provided to or by me under the above-referenced Contract. I agree to protect these confidential materials against disclosure to other than my employer or County employees who have a need to know the information. I agree that if proprietary information supplied by other County vendors is provided to me during this employment, I shall keep such information confidential.

I agree to report to my immediate supervisor any and all violations of the contract by myself and/or by any other person of which I become aware. I agree to return all confidential materials to my immediate supervisor upon completion of this contract, or termination of my employment with my employer, whichever occurs first.

I acknowledge that violation of this Agreement will subject me to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

NAME: _____
(Signature)

NAME: _____ DATE: ____/____/____
(Print)

POSITION: _____

DISCUSSED WITH EMPLOYEE (SUPERVISOR NAME): _____
(Signature)

NAME: _____ DATE: ____/____/____
(Print)

POSITION: _____

c: County DHS Contract Coordinator

